

CURRENT HISTORY

VOL. XX.

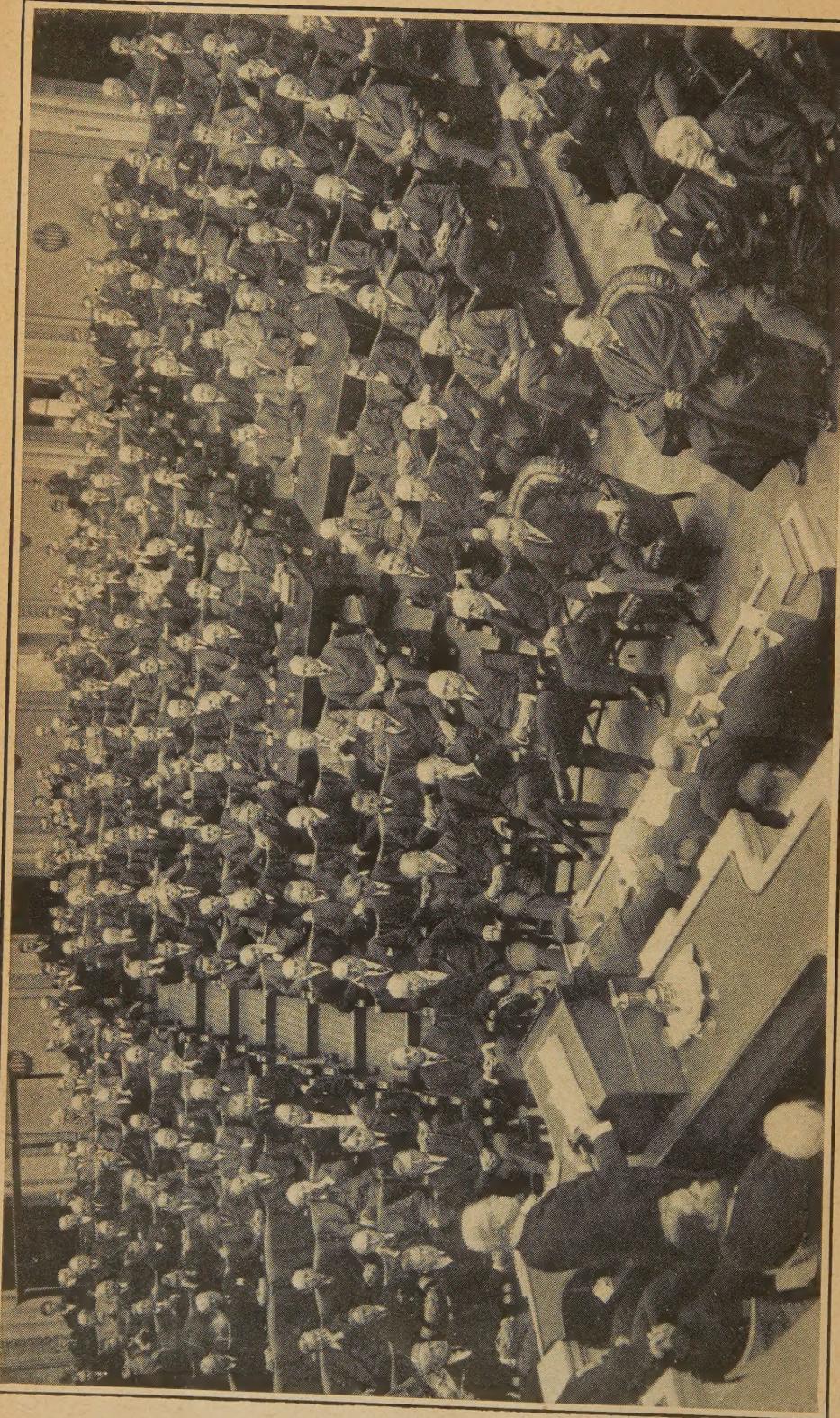
APRIL, 1924

No. 1

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Charles Evans Hughes, Secretary of State, delivering the Harding memorial address before President Coolidge and the Cabinet, Chief Justice Taft and the Justices of the Supreme Court, and the members of the United States Senate and House of Representatives, Feb. 27, 1924

WORLD HISTORY

[PERIOD ENDED MARCH 15, 1924]

BY THE ASSOCIATES IN CURRENT HISTORY

REGION	ASSOCIATE	UNIVERSITY
<i>The United States</i>	ALBERT BUSHNELL HART.....	Harvard
<i>Mexico and Central America</i>	CHARLES W. HACKETT.....	Texas
<i>South America</i>	HARRY T. COLLINGS.....	Pennsylvania
<i>The British Empire</i>	ARTHUR LYON CROSS.....	Michigan
<i>France and Belgium</i>	WILLIAM STEARNS DAVIS.....	Minnesota
<i>Germany and Austria</i>	WILLIAM R. SHEPHERD.....	Columbia
<i>Italy</i>	LILY ROSS TAYLOR.....	Vassar
<i>Eastern Europe and the Balkans</i>	FREDERIC A. OGG.....	Wisconsin
<i>Russia and the Baltic States</i>	ALEXANDER PETRUNKEVITCH.....	Yale
<i>Other Nations of Europe</i>	RICHARD HEATH DABNEY.....	Virginia
<i>Turkey and the Near East</i>	ALBERT HOWE LYBYER.....	Illinois
<i>The Far East</i>	PAYSON J. TREAT.....	Stanford

THE period under survey was marked in many of the nations reviewed in the following pages by events of standing interest and supreme importance. In the United States the Senatorial investigations at Washington centred around the charges against former Secretary of the Interior Fall, this vying in public interest with the storm that raged about the person of Attorney General Daugherty, who refused to satisfy public clamor by following the example set by former Secretary of the Navy Denby and resigning voluntarily. Much sensational testimony was recorded before the Senate committee regarding charges of serious irregularities against Mr. Daugherty.

In Great Britain the initial steps of the recently inaugurated Labor Government were watched with the closest interest. The main efforts of Premier Ramsay MacDonald were directed toward solving difficult administrative problems and toward maintaining a precarious Parliamentary majority.

In France Premier Poincaré found himself in difficulties owing to the cataclysmic fall of the exchange value of the franc. The heroic remedy of 20 per cent. tax increase was vigorously pushed, and meanwhile the currency crisis was temporarily relieved by the arrangement of a loan of \$100,000,000 made with the New York banking house

of J. P. Morgan & Co. Both France and Germany waited tensely for the final report of the expert commission headed by Mr. Dawes regarding Germany's ability to pay reparations. The main event in Belgium was the organization of a new Cabinet by Premier Theunis.

The dissolution of the Reichstag by Chancellor Marx as an answer to obstructive methods of Social Democratic and Nationalist leaders transcends in importance all other political events in Germany.

The expulsion of Abdul Mejid, the Turkish Caliph, from Constantinople was an event of the greatest historical importance, signalizing New Turkey's complete rejection of her ancient traditions. The election to the Caliphate of King Hussein of the Hedjaz by various Arabic States was interpreted as a diplomatic victory for Great Britain as against the French claims in favor of the Sultan of Morocco. In Egypt the new Nationalist Government under the former anti-British agitator, Zaghlul Pasha, settled itself more firmly in the saddle.

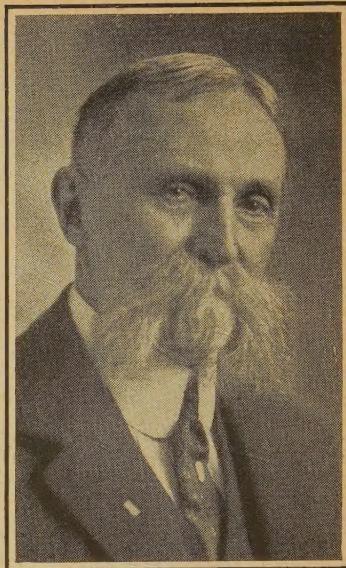
In Mexico the period was marked by the virtual collapse of the revolution against the Administration of President Obregon. A triple civil war in Honduras waged by dissatisfied Presidential candidates led to the severing of diplomatic relations by the United States.

THE UNITED STATES

By ALBERT BUSHNELL HART

Professor of Government, Harvard University

The progress of the oil scandal investigation—Special counsel named to investigate naval oil leases—Attorney General Daugherty under heavy fire—Sinclair and Doheny enjoined from further exploitation of naval oil reserves



ALBERT BUSHNELL HART

PRESIDENT COOLIDGE has pursued his regular policy of frequent public statements. He visited the clubhouse of the Woman's National Republican Club in New York (Feb. 12), and the same evening spoke at length to the National Republican Club, where he laid down the necessity for national unity and held that the relief of the 40,000,000 people engaged in agriculture is a national question. He opposed price fixing, urged economy, strongly supported the Mellon tax policy and explained the Government's support of Obregon in Mexico. In reference to the oil lands, he declared that his most important constitutional duty was "securing the enforcement of the law."

The President on Feb. 16 was in conference on the best way of helping the farmers, and expressed belief that business in general was in a healthy condition. He received army aviators who were about to begin a course around the world (Feb. 19). He thanked the Italian American National Republican League for its endorsement and support. In an elaborate radio address (Feb. 22) he spoke of the character of Washington, ending with the sentences, "We must continue to accept responsibilities; we must continue to make sacrifices. Under all the laws of God and man there is no other way." He warned members of Congress (Feb. 26) against passing individual appropriation bills, in-

cluding the Bonus bill, outside of separate budgets. He made it clear that the Federal Government must aid banks in the agricultural sections of the Northwest.

It was announced (March 4) that the President was standing by the rates of the Mellon tax reduction bill. On March 6 he issued a proclamation restoring the rights of American citizenship to about 100 men who deserted from the army after active hostilities ended. On the same day he declined to direct the Treasury Department to communicate the income tax returns of certain persons to a committee from the Senate, on the ground that he had no legal power to do so. He announced (March 7) that he did not intend that the United States should enter a general economic conference on the affairs of Europe.

The only notable event in the Federal departments was the resignation of Secretary of the Navy Denby, which took effect March 10.

Dr. Hugh S. Cumming has been reappointed Surgeon General of the Public Health Service. Inasmuch as the Senate refused to confirm the renomination of W. L. Cohen, negro Republican leader of Louisiana, the President agreed (Feb. 28) that he should be reappointed in a recess appointment. (He was confirmed March 17.) Charles P. Brewer, special attorney for the Department of Justice, asserted that there had been large issues

of duplicate Liberty Bonds, mostly during the Wilson Administration. Secretary Mellon reported that a careful examination of canceled bonds showed no duplication, but only a few small machine errors in numbering (Feb. 13). Major Kirby was made Acting Director of the Bureau of Engraving and Printing, thus ending a long controversy.

Evidence has been accumulating for months in connection with the charges against officials of the Veterans' Bureau, particularly Colonel Charles R. Forbes, the former Director, who was removed by President Harding. After long delays the Department of Justice (Feb. 23) secured from the Federal Grand Jury in Chicago an indictment against him. It is expected that he will be speedily brought to trial.

CONGRESS

One or the other houses of Congress has found time outside the investigations to report a few important bills out of their committees and put them on their passage. One of the House election committees reported (Feb. 21) in favor of vacating the seat of Sol Bloom, Representative from a New York district, in favor of Walter W. Chandler, Republican contestant. The Johnson Immigration bill, basing future immigration on 2 per cent. of the race elements shown in the census of 1890, was reported out of the House Immigration Committee on Feb. 9, and is now pending before the House. The Senate Immigration Committee, which in order to save time, is considering the bill prior to its passage by the House, decided, on Feb. 28 to make the 1910 census the quota basis. A hard fight in conference between the advocates of the 1890 and 1910 censuses may be expected.

Several constitutional amendments have been introduced. One, regulating child labor, is drawn by a sub-committee of the Senate Judiciary Committee. Representative Magee of New York introduced an amendment giving the President power to veto items in appropriation bills. The Norris-White amendment, which seems to have strong backing, would bring the new Congress together on Jan. 4, after the biennial November elections; and would have the President and Vice President in-

augurated on Jan. 24. Senator Wadsworth of New York favored an amendment allowing States to withdraw ratifications of constitutional amendments up to the time set for their going into effect.

A bill for leasing Muscle Shoals to Henry Ford passed the House. A tax reduction bill, founded on Secretary Mellon's proposition, but decreasing the relief on surtaxes on large incomes from Mellon's figure of 25 per cent. to 37½ per cent., also went through the House.

INVESTIGATIONS

The engrossing subject of the period has been the continued investigation of oil leases by the Senate Public Lands Committee under the chairmanship of Senator Lenroot. To this has been added an investigation of the Attorney General's office by a special committee, and numerous proposals for other lines of attack.

Most in the limelight is former Secretary of the Interior Albert B. Fall. Among the incidents recently revived relative to the oil leases, was the sending of marines, at Fall's suggestion, in August, 1922, to drive out employes of the Mutual Oil Company, who were drilling a well on the naval reserve.

Mr. Doheny has made various statements through the press. In a telegram to Senator Wheeler (Feb. 20) he denied that he had participated in a meeting with McLean, Sinclair and others, including Attorney General Daugherty. He explained that the \$100,000,000 profit that he expected would require a total investment of perhaps \$500,000,000. On Feb. 29 he issued another statement, arguing that the oil leases were advantageous to the Government, since it was thus relieved of overhead expense in taking out the oil. On Feb. 23 Senator Walsh made public a brief correspondence with Doheny in December, 1923, in which Doheny offered him a share in oil transactions, which he declined "because of the fact that the business had a Government lease as its basis."

Former Secretary of the Treasury McAdoo continued to figure more or less prominently in the oil investigations. On Feb. 21 Mr. Doheny announced that had Mr. McAdoo been successful in his plea to the Mexican Government on behalf of the

Doheny interests he would have received an additional fee of \$900,000, the sum of \$100,000 having been paid as a retainer. On Feb. 27, Mr. McAdoo, taking cognizance of newspaper stories, admitted that his former law firm had received a fee of \$150,000 from the Republic Steel and Iron Company for arguing an important tax reduction case before the Treasury Department. Senator Lodge argued (Feb. 29) that it was contrary to a Federal statute for a Government official to engage in legal practice requiring appearance before a Government department until two years after he has left that department.

John C. Shaffer, publisher of a chain of Western newspapers, among which are The Chicago Post and two Denver papers, The Times and The Rocky Mountain News, followed his Denver confrère, Frederick G. Bonfils, publisher of The Denver Post, on the stand before the Senate Committee on Lands (Feb. 14), and testified that he had received a \$125,000 interest in the Teapot Dome claims of the Pioneer Oil Company, of which sum \$92,500 had been paid. Mr. Shaffer, according to his own testimony, as well as that given by George K. Thomas, an official of the Pioneer Company, gave no consideration; when Senator Walsh said: "They simply made you a gift!" Mr. Shaffer answered: "Yes, sir." Mr. Shaffer testified that the then Secretary of the Interior, Albert B. Fall, had personally interceded with Harry Sinclair on his (Shaffer's) behalf for a 200-acre interest in the Teapot Dome field, and that Sinclair had offered him, gratis, a half interest in the profits on 420 acres of undeveloped oil lands, an offer which he declined, as Sinclair did not state when exploitation would be begun. Mr. Shaffer denied that the Pioneer Oil Company gave him the \$125,000 interest in order to secure the support of his newspapers.

Much of the energy of the investigating committee has gone into efforts to discover the exact connection of Edward B. McLean of Washington with the oil leases. Mr. McLean, in his first appearance before the committee, testified that he had lent Fall \$100,000 to be used in buying a ranch. The committee subsequently gave authority to Senator Walsh to go to Palm Beach and take testimony from McLean, who then

stated that he had not given Fall \$100,000 in cash, but checks for that amount, which had afterward been returned to him undeposited.

The committee investigated the balances standing to McLean's credit in the banks on which the checks were drawn and found that at the time the checks were written he did not have \$100,000 on deposit. McLean testified that Fall, at a secret conference at Atlantic City in December, requested him to tell the first story of the loan.

The committee impounded from the telegraph company a large number of telegrams from McLean at Palm Beach and friends in Washington, part of which were in a cipher used by the Department of Justice, in which McLean holds "a dollar-a-year" appointment. C. Bascom Slemp, private secretary to President Coolidge, testified (Feb. 25) that during the Christmas holidays he went to Palm Beach on "no mission of anybody's and no mission of the President's." McLean told him that he was going to "tell all" about the \$100,000 loan, and he urged Fall also to "make a clean breast of it."

For some weeks the investigation was confined to the testimony of McLean's agents and friends, with an unavailing effort to find out who was the "principal" mentioned in a telegram as using his influence to prevent harm to McLean. Ira E. Bennett, who sent the message, declared that "the principal in this was Senator Curtis of Kansas," who flatly denied it. McLean, on March 12, appeared before the committee and confirmed his former testimony to Walsh that there was no \$100,000 loan; only checks that were never presented. He made no attempt to reconcile his two conflicting sworn statements, but insisted that he had nothing to do with the oil stock, or the Doheny leases, or the Sinclair leases. Of his relations with Fall, he said: "I was trying to go down the line as far as I could for a friend."

These investigations have led to various controversies in Congress, in the press and before the committee. Stock quotations went up and down, following the course of the committee's investigations. The records of stock brokers were searched to ascertain whether members of Congress



CURTIS D. WILBUR

The new Secretary of the Navy, appointed in succession to Edwin Denby

had been speculating in the oil stocks. A controversy broke out over the origin of the laws authorizing leases of the oil land; ex-Secretary Josephus Daniels reviewed in the press the relation of his department to that legislation, and the Republican National Committee tried to demonstrate that Democratic officials were responsible.

All the investigations are simply a collection of testimony, Congress having no power to punish any one but its own members for fraudulent acts. Efforts were made to place the matter in the hands of counsel for the Department of Justice, to collect information and prepare a case for a criminal prosecution, should reason be found. President Coolidge, without reference to Attorney General Daugherty, nominated Messrs. Strawn and Pomerene, the latter an ex-Senator from Ohio, and in his Lincoln Day address (Feb. 12) said: "I am a Republican, but I cannot on that account prosecute any one because he is a Democrat." Objection was made to Strawn because of alleged oil affiliations, choice of Pomerene was confirmed, as was

the subsequent appointment of Owen J. Roberts of Philadelphia (Feb. 18). The two immediately began preparation for eventual suits. The President also appointed Samuel Knight of San Francisco as special counsel in the case of the Standard Oil leases in the California naval reserve. Pomerene and Roberts filed suit in the Federal court at Cheyenne, Wyo., for the cancellation of the Sinclair leases, and on March 13 the Court issued a temporary injunction against the Sinclair interests, appointed receivers to conserve the properties involved and prohibited further drilling. A special Grand Jury was summoned in Washington for April 1 to consider the question of criminal indictments in connection with the leases. The Federal Court at Los Angeles on March 17 granted an injunction against further exploitation by the Doheny interests of Naval Reserve No. 1 in California.

The great pressure brought to bear upon President Coolidge to force Secretary Denby's resignation was successful. In the case of Attorney General Daugherty the pressure was equally strong but proved unsuccessful. Daugherty was charged with delay in following up frauds in the Veterans' Bureau and other directions, and some of the witnesses in the oil investigation declared that he had approved the legality of the oil leases. In a public letter (Feb. 26) Daugherty stated that he had bought Sinclair Consolidated Oil Company stock before becoming Attorney General, and that in 1923 he had closed it out at a considerable loss; and that he had never given an opinion, oral or written, on the validity of the leases.

Senator Wheeler of Montana then came forward and proposed a special committee to investigate Mr. Daugherty's administration of the Department of Justice. The Senate with only one dissenting vote provided for the committee (March 1) and accepted the unusual provision that it should be selected by the Senate instead of by President pro tem. Cummins. The committee was made up of Brookhart, Wheeler, Ashurst, Moses and Jones, showing a majority of Democrats and radical Republicans. Chairman Adams of the Republican National Committee publicly supported Daugherty. The testimony was of

a sensational character and was in progress when this record closed.

STATE AND LOCAL GOVERNMENTS

Former Governor McCray of Indiana has been indicted before the Federal courts for violation of national banking laws. The amount of his liabilities above assets was stated to be \$500,000. Lively sessions of the State Legislature have been held in New York. Vain efforts were made to secure an understanding between Speaker Machold, the Republican leader, and Governor Smith, the Democratic leader, on a program of legislation. Governor Smith came out (Feb. 17) in favor of a budget and other fiscal reforms. He desires also to reorganize the State Administration by reducing the 190 bureaus to twenty departments. Various important bills have passed for the settlement of the soldiers' State bonus to the amount of \$45,000,000 and the reduction of the State income taxes. An effort is being made in New Jersey to apply a statute passed in 1798, and still on the statute books, which prohibits "any worldly business or employment on Sunday." In New York City, the Smith-Hylan Home Rule Public Utilities bill aims to put the system of transportation into the hands of the city. Mayor Hylan returned to his duties (March 5) after a long illness.

In the territories and dependencies, two difficulties are now pending. A Porto Rican legislative commission is in Washington and demands privileges which would be equal to statehood. The Philippine controversy has been brought to a head by the refusal of Auditor Wright in Manila to approve expenditures from the fund of 1,000,000 pesos voted by the Philippine Assembly for carrying on the propaganda to secure independence.

POLITICS

The oil investigation scandal makes it certain that the responsibility for it will be a question at the polls next November; and that reacts upon the candidates. The two Democrats who seem most at the front so far are ex-Secretary of the Treasury McAdoo and Senator Underwood. Three other candidates are pressing forward: ex-Governor (now Senator) Ralston of Indiana, John W. Davis of West Virginia,

formerly Minister to Great Britain, and Governor Alfred E. Smith of New York. The Smith managers think that they can count on about 250 votes at the start, and that they may have 350. Other possibilities are ex-Governor Cox of Ohio, Democratic candidate in 1920; Senator Copeland of New York. Josephus Daniels, ex-Secretary of the Navy, and Senator Walsh of Montana, the leading spirit in the oil investigation, both decline to run. Senator Reed of Missouri canvassed his State, hoping to receive its support in the primaries, but in the election of March 7 was badly defeated.

On the Republican side, down to March 15, either the primaries or State and local Republican committees had declared for Coolidge in twenty or more States; and his supporters were confident that he would have six-sevenths of the delegates on the first ballot. In the New Hampshire primary election (March 11) Senator Moses, the only candidate who declined to commit himself for Coolidge, was beaten.

The radical element in the Republican Party, with some backing from the Democrats, now appears inclined to nominate a third party candidate, and for that nomination a long list of possibilities is mentioned, including Senators Borah, Brookhart, La Follette, Norris and Shipstead. La Follette has formally withdrawn from a Republican primary and appears to be a strong candidate for the third party nomination.

FINANCE

Money in circulation has increased by more than \$200,000,000 above the previous year. Most of the city banks are prosperous, but weaknesses have appeared in the country banks, especially in the wheat district of the Northwest. A new Federal Finance Corporation was formed in Chicago (Feb. 14), with a capital of \$10,000,000, much of it subscribed by Eastern financial institutions.

The courts and the Legislatures are trying to deal with the great evil of irresponsible brokers and bankers, going to the point of conviction of Burrill Ruskay, head of a firm which failed for \$10,000,000.

The Mellon Tax bill passed the House

(Continued on Page 121)

THE RISE OF RAMSAY MACDONALD

By JOSEPH CLAYTON

A graduate of Oxford, the writer of this article was for a time editor and proprietor of *The New Age*, the principal organ of the English Socialist intellectuals. He is a Fellow of the Royal Historical Society and the author of many books, including "The Truth About the Lords," "Robert Owen," "Wat Tyler and the Peasant Revolt," "The True Story of Jack Cade" and "Cooperation and Trade Unions."

How Great Britain's first Socialist Prime Minister, of poor parents and without education, carved out a successful career in politics—Freed from monetary cares by marriage—Qualities of "gentleman" that have made him acceptable to the English people

James Ramsay MacDonald, climbing steadily and persistently, has reached the first place in British politics. It is a remarkable achievement. By a strict attention to business, by a lifelong devotion to public affairs, by a close study of the rules of the political game as it is played in England, Ramsay MacDonald at the age of 57 is sent for by King George and becomes Prime Minister. The industrious apprentice is duly and justly rewarded for his years of service and is made master of the shop. In the long line of British Prime Ministers many a less deserving name than that of Ramsay MacDonald may be discerned, as many a man most certainly less competent, and with a record far less worthy, has presided over the British Cabinet.

At the outset Ramsay MacDonald had no natural advantages save a robust physique, a clear head and a resolute will. His parents were laboring people in the north of Scotland, hard-working folk, laboring on the land that others owned. The Scottish board school and the perception, rarely attained by the English, that education is a valuable thing that may be turned to account in the business of life, gave the young MacDonald an opportunity to escape from the bondage of physical toil and to pass socially from the laboring to the middle class. He became a pupil-teacher, and the first step had been taken. Yet for Ramsay MacDonald there was no lasting

attraction in school teaching. He had quite other plans, and destiny had not marked out for him the patient drudgery of a school teacher's life. Not in Scotland is there a future for its adventurous sons, and MacDonald must needs come south to find at Bristol a lively interest in politics and social questions. With the awakened intelligence of youth he concentrated on the social question and saw in politics a career. Journalism suggested an opening for this career and London with its tremendous opportunities drew him. The school teaching was given up, never to be resumed.

If Ramsay MacDonald had but little money when he arrived in London, he was stout of heart and firm of purpose. The time, too, was opportune for a young man keenly interested in social reform. It was a season of labor unrest, of the "new" trade unionism of the late '80s of the nineteenth century, the years of the early propaganda of socialism. William Morris was still an active speaker on the Socialist platform, and Bernard Shaw was preaching socialism at street corners and in the grimy halls of radical clubs. The Fabian Society had but recently been formed to bring the glad tidings of socialism to that eminently respectable middle class, the British bourgeoisie. For Ramsay MacDonald, a young and earnest social reformer and therefore sympathetic with Socialist ideals, the Fabian Society was the very thing. The post of private secretary to a Liberal Mem-

ber of Parliament gave him useful experience in practical politics. The manners and customs of the ruling class in Great Britain were quickly to be learned. Before he was 25 MacDonald had quite definitely ceased to be of the working people whence he had sprung and had readily acquired the habits of the prosperous and powerful middle class. (But this ready adaptation to an improved social environment never carried with it in MacDonald's case any repudiation of antecedents. To his mother he showed a marked respect and to Lossiemouth, his native town, he has always returned with willingness.) Social advance was a necessary feature in the pursuit of a political career. To climb high he must climb as a "gentleman."

NEVER A WORKMAN

From his boyhood MacDonald had never been a workman, and hence had never been associated with the trade union movement. From school teaching he had gone on to journalism and political secretaryship. The Fabian Society provided a platform for lecturing and at the same time brought him within a circle of remarkable persons, many of them persons of wealth, interested in social reform. MacDonald, gifted with a good voice and an ability for stirring speech, was soon recognized by Radical politicians as a most promising recruit, and on his first parliamentary contest, when he stood as a Labor candidate at Southampton in 1895, Bernard Shaw hailed him as a coming man.

Marriage fixed Ramsay MacDonald in the middle class. It strengthened his political position by removing all fear of poverty, and it gave him leisure for study and provided the means for foreign travel. By his marriage with Margaret Gladstone (a daughter of Professor Gladstone and a niece of the first Lord Kelvin) MacDonald at once strode into the seats of the mighty. His London residence in Lincoln's Inn Fields became a rallying place for Labor leaders and their henchmen, his wife's salon a meeting ground for intellectuals and reformers of all schools. MacDonald had a genius for organization ("a passion for intrigue," his enemies called it; we may compromise by admitting "a zest for wire-pulling") and many were the politi-

cal schemes propounded and hatched in those early years at Lincoln's Inn Fields. The marriage was in every way to be named a success. Not only was Margaret Gladstone to be the mother of several children, she had knowledge and experience of industrial conditions in London, she shared her husband's political faith and approved his choice of a career. She brought sufficient dowry to relieve him from all further anxiety of the means of livelihood. This marriage, performed with all fitting ceremony at the fashionable West End Anglican Church of St. Mary Abbots, Kensington, though it plainly separated MacDonald from the great mass of wage-earning people, did not in any way alienate him from the rising Labor movement. On the contrary, the trade unionists, who were still the chief factor in Labor politics, had far more confidence in Ramsay MacDonald married and prosperous than in the needy unmarried man. They decided, reasonably enough, that prosperity is not the sign of an adventurer, and that a man of means and reputation is not so likely to run crooked as an impecunious journalist.

Even before his marriage MacDonald's political life had been clearly shaping to a certain end—the House of Commons. His ambition was never concealed. He never pretended that for him were sufficient "the wages of going on," neither did he express any desire to follow virtue merely for its own reward. Power, parliamentary power, was the avowed aim of MacDonald's activities—power to be used for the social improvement of the great mass of the common people. To make himself an efficient parliamentarian MacDonald strove with all the industry and persistence common to his race. He took every means available to educate himself fully on all political questions, with the result that no sooner was he elected M. P. for Leicester in 1906 than the House of Commons speedily accepted him as one of its best informed members. As he had taught himself to speak by delivering Fabian lectures and addresses at Labor meetings in the open air, so he taught himself to speak in House of Commons fashion, and promptly caught the tone of the House, to find that his speeches were listened to as closely and appreciated as sincerely within the walls



Wide World Photos

Ramsay MacDonald, wearing a silk hat, greeted by a crowd of Labor supporters outside Buckingham Palace after he had been sent for by the King and commissioned to form a government. The other man wearing a silk hat (at the right of the photograph) is Arthur Henderson.

of Parliament as ever were the utterances of his powerful voice at monster demonstrations. He spoke well; at times quite well, though rarely using in Parliament the poetical quotation, and never the rhetoric of passion, the fervent religious phrase, the eloquence of the invoked ideal that are always popular and are generally expected at mass meetings—tricks of the orator's trade that Ramsay MacDonald was far too wise a man to despise and too shrewd a man to neglect.

JOURNALIST AND AUTHOR

Journalism, the writing of short critical articles on books and current topics, and of one or two lives in the "Dictionary of National Biography," trained him for authorship, not that MacDonald ever achieved any literary style or wrote anything of distinction. With a quite genuine love for the literature of his native land he must always remain among the semi-educated in the world of letters. In this respect he is neither better nor worse than the great majority of men and women of all parties

who are engaged in politics. For a fine taste in literature and the sure critical sense are rarely combined with political enthusiasm and are not commonly the accompaniments of political success. It was sufficient for Ramsay MacDonald that he learned to write on questions of public policy, and that he could obtain a place for articles on such questions in the monthly reviews. His views on socialism and his plans for social reform he could also expound and explain as clearly in print as on the platform.

If marriage was the most important event in his life the decision to join the Independent Labor Party was the first serious step on the road to political leadership. Thirty years ago the Liberal Party promised no great career to young earnest men of serious mind who were anxious for social reform. The future seemed even then to be with the moderate Socialists of the Independent Labor Party. When the Liberals, under Lord Rosebery's leadership, came to their downfall in 1895 it was thought by many that the fortunes of Lib-

eralism were exhausted. Native prudence restrained Ramsay MacDonald from the work of a pioneer, but once the Independent Labor Party had been set going, mainly by the action of Radicals of social vision, and promised an effectual means for political work, MacDonald joined it. And he did well to join it. As an ordinary Liberal or Radical member of Parliament Ramsay MacDonald would never have had the opportunities the Labor Party afforded him. The strength of the Whigs would always have kept him in a strictly subordinate place. As it was, when he entered the House of Commons he came as a prominent man in a small but growing group and was soon a notable Parliamentary figure to be listened to with attention.

As others study art or science, so Ramsay MacDonald studied politics. He trained himself to become a statesman as men and women train themselves to become painters or musicians. He knew that without the discipline of training there is no reasonable assurance of victorious achievement. He mastered the rules of the game, the forms of Parliamentary procedure and understood the qualities that the British people require in their rulers. The way of failure he discerned, and marked the road to success. His career may be pondered as an example to the young in quest of lasting professional fame. Sobriety in speech, a personal character that cannot be assailed, the capacity for accepting existing institutions—these things are essential alike for the Socialist, Liberal or Conservative who would qualify for Parliamentary leadership. They are even more necessary for the Socialist, who must needs overcome the hostile prejudice of innumerable critics. Hence it is that no passionate outburst of wrath disfigures or illuminates MacDonald's speeches, no rash utterance of generous partisanship is ever to be apologized for, no hasty impulse to be regretted. The British public dislikes "scenes" (though it likes reading about them in the newspapers) and has little confidence in public men who lack respect for law and order in the conduct of business. The British Parliament is a national institution, venerable and permanent. It may be joked about outside, but within must be treated with respect and a certain solemnity by all who

would rule it. Ramsay MacDonald not only understands this attitude of the British public, he finds it congenial and is happy in maintaining the authority of the House of Commons.

SUCCESS AS POLITICIAN

In the Labor movement in the country MacDonald won success over older men by his indefatigable industry, his unmistakable aptitude for politics and his obvious freedom from financial cares. Other things being equal, it seems inevitable that in politics as in business, the needy, impecunious man will be rejected in favor of the man with a substantial bank balance, and the man of regular and well-ordered life preferred before a gifted but uncertain genius. Many highly gifted men and women gave their services to the Socialist and Labor movements in Great Britain, and the annals of these movements contain many a story of heroic self-sacrifice. But an aptitude for politics was not the characteristic of Socialists thirty years ago, however distinguished their performances as artists, painters or poets. Ramsay MacDonald's political experience and natural abilities therefore gave him at once a leading place in the Council of the Independent Labor Party and soon made him the controlling force in that organization.

When the trade unions joined the Socialists in setting up a national Labor Party a very much wider realm was to be conquered, and from the outset MacDonald as secretary proved successful and, if was judged, indispensable. He had the necessary leisure that was denied to trade union leaders busy with their respective associations and absorbed largely in the management of industrial disputes. By the time he had reached Parliament MacDonald, then 40 years old, was recognized by the Labor Party as a "safe" leader. Men and women who knew him, who sat with him on committees, never mistook him for a "firebrand." And the wider public understood that he was a trustworthy Labor leader, averse from everything eccentric or explosive, no more a demagogue or mere agitator than a crank. No touch of fanaticism led him astray, no suggestion of the impossible idealist could be charged against him. His sincerity for the improve-

ment of the lot of the poor was never tainted by extravagance of speech on the subject; his imagination, while sufficiently restrained to exclude utopian dreams, could kindle sympathy and prevent dullness of view.

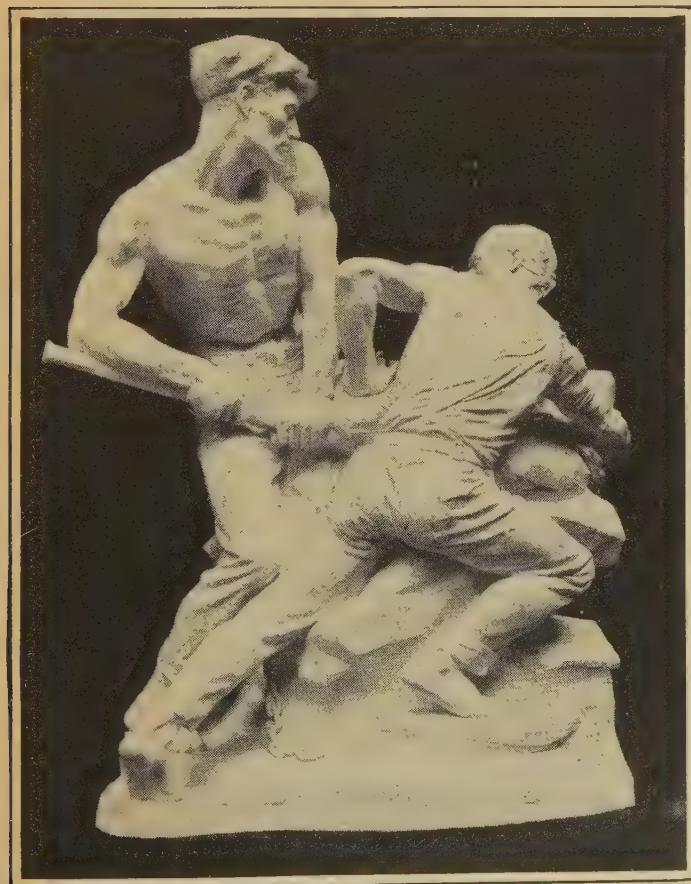
The socialism of Ramsay MacDonald was approved long ago by moderate people of all schools, because they saw it involved no revolutionary upheaval. He proved to middle-class idealists (and MacDonald always laid himself out to capture the middle class, leaving trade unionist leaders to persuade the masses) that the application of Socialist principles did not require any violent disturbance of the existing order and was entirely compatible with social respectability, political authority and pub-

lic decency. Anarchism in all its forms MacDonald wholeheartedly detested, and neither personal freedom nor human liberty was the chief article in his confession of faith. Social well-being, a land where honest reasonable toil could be within the reach of all, a country of cities without slums and without palaces, a nation possessing good schools, happy children and public-spirited citizens. Such was the gospel he preached, and not vainly was the appeal made.

In foreign politics MacDonald was more at home with his earlier Radical friends. Emphatically an anti-imperialist, he hated the South African War, and if not so conspicuous a pro-Boer as Lloyd George, his dislike of war and military display was far

more deeply rooted. MacDonald, too, had traveled and visited many lands, and for him the future of the world was not in empire and conquest, but rather in the peaceable self-development of each nation and in the free international exchange of commodities. The vision was rudely eclipsed with the outbreak of the World War in August, 1914.

The war completely—for the time—shattered MacDonald's influence as a public man. Yet no other policy was possible for him. All the innate pacifism of the man cried out against war, all the traditional opposition of radicalism kept him with the minority, who held aloof from the cause of the Allies. The thing had happened before in the history of England. Burke and Chat-



P. & A.

The rise of Labor in Great Britain has already found expression in art, as is seen in this piece of sculpture of figures symbolizing human toil, with which David Evans, a young English sculptor, won the final competition for the Rome scholarship in sculpture for 1923

ham had stood in opposition to the British Government in the War of American Independence. Fox refused to support England against revolutionary and Napoleonic France. Cobden and Bright were utterly against the Crimean War, and in the South African War the Boers had the sympathy of many Liberal and Radical politicians. Ramsay MacDonald was bound to stand with the pacifists who deplored the war with Germany, though here, as elsewhere, his attitude was conspicuously moderate. If he could give neither support nor approval to the conduct of the war, he would, at least, refrain from hindering the Government. "Wild" men, with an international fervor, might be thrown into prison for the better defense of the realm. Men and women of high character for mere indiscretion of language, it were judged, could be conveniently imprisoned. Conscientious objectors to compulsory military service were certainly, and especially if poor and friendless, to be treated as felons.

No charge of impropriety could be laid against Ramsay MacDonald during the whole course of the war; no suggestion that his pacifism endangered the strategy of Generals or the plans of Cabinet Ministers could be entertained. You cannot think of Ramsay MacDonald as a man liable to be sent to prison. The bare idea is an outrage. There is at any time something that shocks our sense of the fitness of things when a public man of eminent respectability is jailed as a common offender. Only the avowed revolutionary or the victim of an alien tyrannical Government can emerge from prison without loss of honor. It was never proposed that Ramsay MacDonald should be prosecuted because he stood for peace when the country was at war. His studied moderation was a lesson in good manners to all who derided him. Of course he was described as pro-German by the multitude. In reality he could but wring his hands with hopeless inaction and watch in despair the destruction of Europe and the beshadowment of international idealism.

When the general election came at the armistice in 1918 Ramsay MacDonald was defeated and Lloyd George swept triumphantly from Parliament nearly all who had withstood the war policy of his Coalition

Ministry. The triumph was not to endure. Rarely in Great Britain does the successful wartime Ministry survive the making of peace. Within four years Lloyd George was to be routed and Ramsay MacDonald returned to Parliament with reputation immeasurably enhanced. For Lloyd George there could be no forgiveness by the chiefs of the Labor Party, and all talk of his alliance with Labor, of his possible leadership of the Labor Party is entirely beside the mark while Ramsay MacDonald lives. Between the two men the gulf set is too wide to be bridged. The puritan in MacDonald, and the puritan element is considerable and must be taken into account, is revolted at the lightness and versatility and lack of all grave political principle in Lloyd George. The personal relations may also not be overlooked. Before the war there was nothing to prevent a working alliance between Lloyd George and Ramsay MacDonald, and the former, then as keen a pacifist as the latter, might at any time have joined the Labor Party had he deemed it better policy than sticking to the Liberals. At the end of the war Lloyd George was the hero of the Conservative and to the Labor Party a traitor, who had sought to drive pacifist Labor men from public life. He had even sought to drive Ramsay MacDonald from public life, and for that there could be no forgiveness by MacDonald.

A PACIFIST CONSCIENCE

The years of war brought MacDonald, it was inevitable, into disfavor. His opinions, however mildly and respectably stated, were unpopular opinions. He could not mouth the cries of patriotism nor urge the armies on to slaughter. The man had a conscience, a pacifist conscience, and conscience will out. But the disfavor, again it is inevitable, was bound to vanish with the disillusionments of peace, and then the politicians who had "won the war" passed into the shade. So had Cobden and Bright returned to popular favor after the Crimean War; so had the pro-Boers won the elections in 1906. However unpopular in the years of war, MacDonald might count on a day of reckoning to come, when his own negative attitude would seem of startling whiteness, unblamable and irreproachable, beside the positive acts of re-

sponsible Ministers, and their incapacity to ameliorate the distress that follows the making of peace.

MacDonald, however, got into queer company during the war, company by no means congenial or helpful to his safe return to political leadership. Himself an entirely sincere parliamentarian, a man for the settlement of all disputes by committees, the passing of resolutions by representatives of the people and strict obedience to the will of the majority, the very horror of war and violence was part of this belief in civil government. Yet it was unmistakable that among the pacifists were anarchists, Tolstoyan and revolutionary alike, with Syndicalists and other templiers of Parliament, and (after Lenin's coup d'état) supporters of Soviet rule and Bolshevism. In such company MacDonald moved uneasily, but yielded no ground of his convictions. The very Independent Labor Party (the I. L. P.), MacDonald's own personal followers and but a tiny fraction of that greater whole known as the national Labor Party, had to be purged of germs of Bolshevism, to be rid of members drawn to that latest form of socialism called communism. By 1919 MacDonald could shake off the strange bedfellows of pacifism and set to work at reuniting all sections of the Labor Party temporarily estranged by differences of policy during the war. If the more patriotic sections had to forget the pro-Germanism of their colleagues, the pro-Germans had to forgive the patriots for serving under Lloyd George.

The political machinery of the Labor Party was renovated and vastly improved and when, after the general election of 1922, Labor found itself numerically the second party in the House of Commons and the official Opposition, Ramsay MacDonald was chosen by the Labor members of Parliament—for political leaders are never chosen in Great Britain save by the parliamentary representatives of the particular party—as the official leader of the Opposition. It was a wise choice. If other Labor members had sat in Parliament for greater length of years, not one could be named who was a more complete House of Commons man. In a new House of Commons, with followers apt to be impatient of forms, yet alive to the responsibility that

pertains to a seat in Parliament, MacDonald had to display the keen debating skill of a parliamentary leader when he dealt with questions of national policy, and with his own followers a tact that would discourage "scenes" and disorders without damping down ardor and enthusiasm. Loyalty to the House of Commons and to the principles of parliamentary government must be combined with loyalty to democratic convictions and to the cause of (moderate, strictly moderate) socialism. In Ramsay MacDonald these loyalties are seen to be combined. No man is more highly respected by nor more highly respectful to the House of Commons than Ramsay MacDonald. No public man in Great Britain for the past thirty years has more consistently adhered to the platform of moderate socialism. Critics may allege, as they do, that MacDonald's socialism is so moderate that it cannot be distinguished from social reform. The answer is that at no time could it be distinguished. MacDonald has no "red" revolutionary past to repent, no youthful excesses of Socialist zeal to be atoned for. He was never Marxian or Marxist. Nor had he declined upon moderation in middle life. A Fabian collectivist and an earnest social reformer in the days before he joined the Socialists of the Independent Labor Party, so Ramsay MacDonald has remained a collectivist and social reformer with the international aspirations of an old-fashioned Liberal Free Trader. He would be content to say that common necessities should be owned by the community, that social needs should be satisfied by social labor under national direction.

EVERY INCH A GENTLEMAN

The wisdom that chose Ramsay MacDonald from his colleagues and raised him to the leadership has been amply justified. A public opinion that would be considerably distressed at the notion of Britain with a trade union official for its Prime Minister can bear with equanimity the thought of Ramsay MacDonald holding the great office. There is even an articulate feeling that he should be given a fair chance as Prime Minister—a "sporting chance." The overwhelming majority still hold that Great Britain should be ruled by a "gentleman"; and MacDonald, it is so evident, has

all the habits of that species. He behaves like a "gentleman," according to all the accepted canons of gentlemanly behavior and deportment, and to behave like a gentleman is to be a gentleman in England, where class and not caste is the rule, and where we may any one of us pass freely from class to class, always provided we have the necessary income and the ability to adjust ourselves to improved social surroundings.

MacDonald has never sought to conceal his lowly birth and his honest upbringing among hard-working laboring people. To have come of the tillers of the soil and to have risen to high position is not a drawback but an asset. His career holds out hope to the poorest in the land. Since Ramsay MacDonald, born in poverty, amid surroundings of the harshest and hardest labor in Great Britain, can win the love of a lady—the niece of a peer—and rise to the very top in political life, to the Prime Ministership itself, who can deny the possibility of a similar achievement to the least of us? Despite a most unpromising start, Ramsay MacDonald has gained the heart's desire of every young man seeking a career in politics. He has proved that it is possible for the child of laboring parents to adapt himself in a few short years, without the aid of tutors or the polish of public school life and the culture of an ancient university, to the life and manners of the wealthier professional class and to move without constraint in the social world of high politics. MacDonald can ruffle it with the best and hold his own in any intelligent society as though born to the business—no mean performance in any land. No one detects any sign of the educated artisan in the first Labor Prime Minister. If not of that middle class whence so many British statesmen spring, MacDonald is plainly in it. All this is to the good when the novelty of a Labor Gov-

ernment is apt to disturb the essential conservatism of the British people.

Perhaps nothing has helped MacDonald to his present high estate, not even his successful marriage, more than his appreciation of the psychology of the English. Few English politicians ever take the pains to understand or humor the prejudices of their fellow-countrymen. Not introspective themselves, they cannot think it worth while to study psychological processes. Far otherwise is it with Ramsay MacDonald. A Scot, he came to a strange land and a strange people knowing that he must first understand those whom he would conquer and rule. He observed the English dislike of fanatical expression and distrust of excess. He saw the love of compromise, the good-humored preference for the policy of "give and take" over all doctrinaire fidelity to a political or economic creed. He noted, too, that the English desire for leaders men of social standing who are friendly, but not overfamiliar, with the masses, men not addicted to the human failings and frailties that are liable to end in summary conviction by a police magistrate, men who, if they play as equals on the cricket field, will yet have their own special dining room. A certain aloofness from the common herd, and yet an aloofness that is not too rigid and can be duly relaxed on the right occasion, is indispensable to a British Prime Minister.

In short, what the English require of a parliamentary leader are high ideals on the platform, good debating speeches in the House of Commons, a clean personal record, a readiness to speak well of a fallen foe or a beaten enemy, a conscience in decent working order and some likeness to the average man. Let the Prime Minister by all means be a "gentleman," but let him know when "to hale and draw with the mariner." Ramsay MacDonald has not wasted the pains taken to appreciate the English and to learn the art and craft of political rule.

THE CLAIM OF "NORDIC" RACE SUPERIORITY

By JOHAN J. SMERTENKO

Formerly Professor of Journalism at Grinnell College, Grinnell, Iowa; lecturer on English Literature and Modern Drama, Hunter College; later contributor to many American publications, including *The Bookman*, *The Nation* and *The American Mercury*

Origin of the pernicious doctrine of "race superiority"—Its subsequent development in Germany and its recent appearance in America as an alarmist warning against non—"Nordic" increase—Hypothesis disproved by modern science

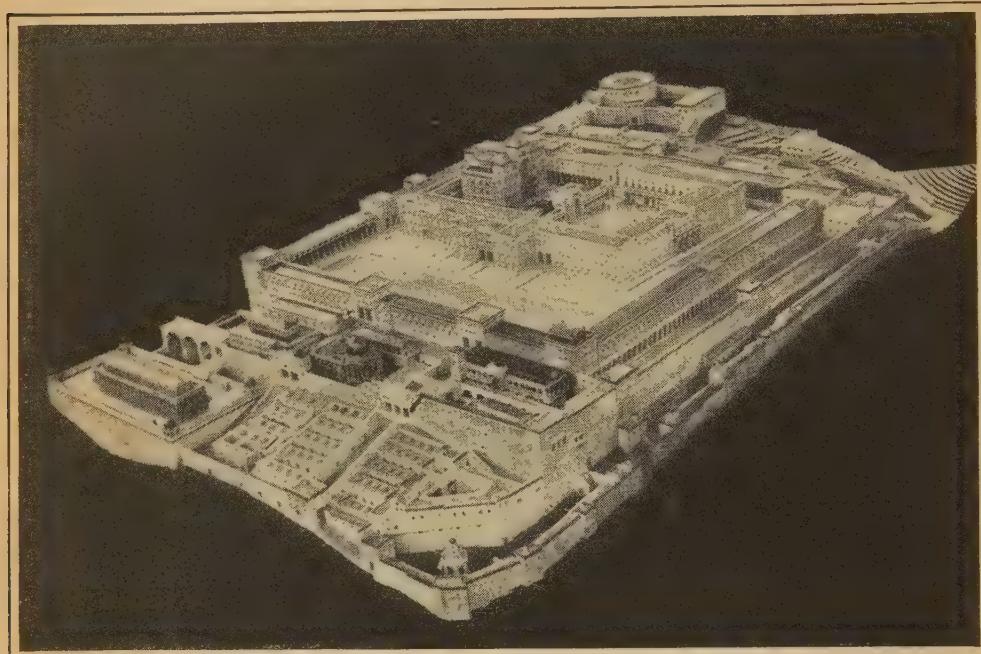
A nation, to be great, ought to be compressed in its increment by nations more civilized than itself.—Coleridge.

WHEN the immigrant wrote back to his people in Ireland that in America every man is just as good as his neighbor, if not better, he expressed in a typical Irishism a universal sentiment, which is undoubtedly as old as it is widespread. Every man feels in some way superior to his neighbor, whether because he is rich or poor, modest or proud, giant or pygmy, carnal or pious, quick-witted or plodding, for it is in every man's power and it is every man's custom to make a virtue of his special condition and characteristics. Moreover, in this task of marking "Superior Brand" on distinctive traits and qualities, the individual does not stop with himself; he exalts similarly his family, his town and his tribe, thus unconsciously creating a vicious circle by admiring what he has, because he has it.

What is true of individuals is equally true of nations. From the earliest times a given nation's feeling of superiority to its neighbors has been one of the most powerful forces influencing and molding the life of peoples. There is hardly a nation which has not suffered because at some time in its history it acted in the belief that this feeling was a fact. Furthermore, both the records of ancient civilization and the history of our more immediate past show us that the nations have followed an identical formula to justify this national arrogance.

We see, in the first place, that a given people claims to have a monopoly of some desirable quality; then we find that it believes this quality to be particularly acceptable to God and by virtue thereof becomes "the chosen people"; and finally, with sanctimonious hypocrisy, the nation in question takes upon itself a mission to excuse its policy of territorial aggrandizement and all the acts of exploitation and oppression which such a policy entails. In the chronicles of every nation infected by this arrogance there is a story of misery, famine and bloodshed, often of complete ruin, all a direct consequence of this theory of superiority. The Greeks and Jews suffered from it; it spread like a plague in France, showed itself in England during the Victorian era, and broke out in Germany a few years ago in its most violent and fatal form. The tragedy of this disease lies not so much in the theory itself as in the fact that it has always been made to serve political purposes and hence has always affected most intimately the political history of virtually every nation in the world.

Lately, however, those who would exploit man's self-conceit for political ends have substituted a racial in place of the national unit of comparison. They speak now in terms of Semite, Mongol and Aryan, or Alpine, "Nordic" and Mediterranean; they interpret God's favoritism not through oracles and prophecies, but by means of cranial dimensions and basketry



Model of Solomon's Temple (non-“Nordic” origin), based upon an investigation of all available sources of information

weaves; and, most important development of all, they no longer attempt to establish their unique qualities but arbitrarily assert their superiority and throw the burden of proof on the “inferior” races. It would seem to the student of history that in the course of civilization mankind has had sufficient tragic experience with these delusions of chosen peoples and superior races to make it wary when another such theory is put on the market. But quite the contrary is true, and hence it becomes necessary to take notice of the most absurd claims of superiority for fear that the fanatical activity of a handful of believers may cause again irremediable harm.

EVOLUTION OF THE “NORDIC” THEORY

One of the latest and undoubtedly one of the most absurd and pernicious applications of this “superiority” theory has made its appearance in the United States. The doctrine propounded is that the white race is biologically superior to all the others and that a certain division of the white race, called “Nordic,” is the acme of its excellencies. This theory, propagated in a

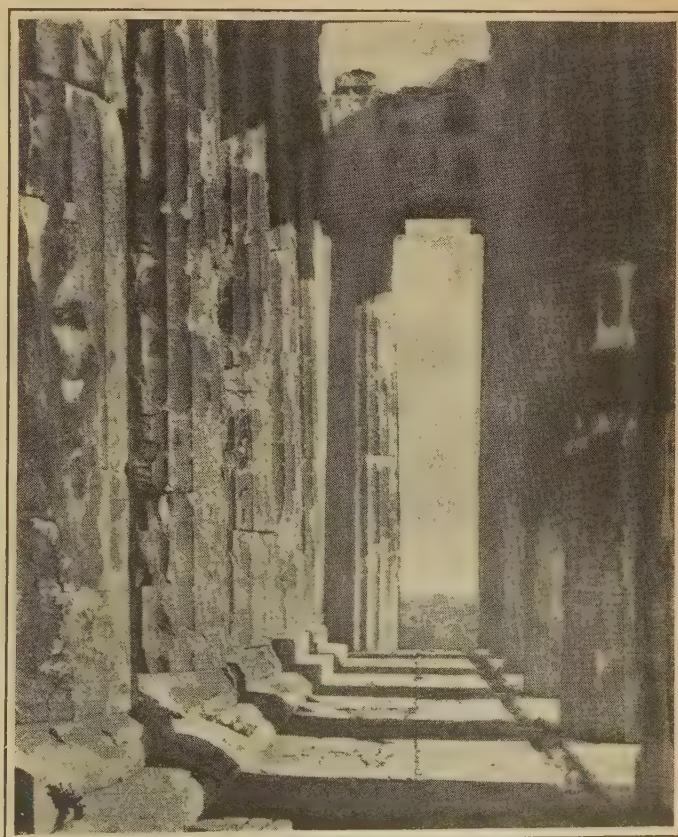
passionate, melodramatic manner, is finding acceptance among the ignorant, and through them is already exerting an influence on such important practical problems of American life as immigration, eugenics and education. The theory is voiced by members of the legal profession posing as temporary anthropologists, by journalists transformed into ominous prophets, by professors seeking lecture fees and by that curious anomaly, the lady-novelist, striving for distinction as a socio-literary critic.

Before we become panic-stricken with fear that the great blond race will disappear into the mysterious twilight zone to which its gods and its heroes are said to have passed in times remote, it may be profitable to examine the fundamental elements of the “Nordic” theory and to see what the anthropological and ethnic facts, which have only recently been brought to light, mean when they are interpreted in the hard, cold light of truth. The curtain for the first act of this romantic melodrama concerning our “Nordic” race rose about seventy years ago. At that time Comte Arthur de Gobineau (1816-1882), inspired by the great scientific discoveries

of his time and anxious to warn his countrymen against hybridization through intermarriage or intermating with the Germans, who were peacefully penetrating into France, wrote his "Essai sur l'Inégalité des Races Humaines" (Essay on the Inequality of the Races of Mankind). Although he announced that "if the Bible declares that mankind is descended from the same common stock, all that goes to prove the contrary is mere semblance, unworthy of consideration," the Count succeeded in interpreting the Scripture in such a way as to permit him to differ from the common notion that all men are alike, inasmuch as they are all descended from Adam. He proceeded to indicate "the moral and intellectual diversity of races" and came to two important conclusions: (1) That the white race is superior to all others, and (2) that to be great, every nation must be pure in stock. As to the comparative greatness of the numerous divisions of the white race, Gobineau offered no opinion except in so far as his examples were drawn from the ancient Mediterranean civilizations. He writes, for example: "If Rome, in her decadence, had possessed soldiers and Senators like those of the time of Fabius, Scipio and Cato, would she have fallen prey to the barbarians of the North?"

Although Gobineau's book was almost immediately translated in America to be used as an argument for slavery, it had little influence on the thought of the day. Not until the biologists, August Weismann and Gregor Mendel, formulated their theories of heredity, not until the discovery of "primitive

man" offered a basis for the most imposing superstructures of speculation did the idea of racial inequality fire overwrought and egoistic imaginations. The Weismann doctrine is based upon the idea that every individual is composed of two independent types of tissues, the germplasm and the somatoplasm. It holds that the germplasm consists of the generating cells, which reproduce themselves and pass on unchanged from generation to generation, each time building new bodies out of somatoplasm as temporary containers for this precious fluid. The argument that found most favor in the eyes of the propagators of the superior race prejudice is that the individual today is essentially the same as his unknown ancestor of the neo-monkey era, since the vital qualities he had at the



Ewing Galloway

A view of the Parthenon from inside the ruins. This masterpiece of architecture is a visible reminder, after more than two thousand years, of what we owe to Greek art and science

beginning were passed on by the germ-plasm, while the characteristics he acquired in each generation were lost at his death with the disintegration of his body.

Among the individuals who combined the supposition of Gobineau with the speculations of Weismann was a renegade Englishman named Houston Stewart Chamberlain, whose book, "Die Grundlagen des Neunzehnten Jahrhunderts" (The Foundations of the Nineteenth Century) raised the old "chosen people" delusion to a height of magniloquent absurdity which it had never before attained. Chamberlain simply and systematically classified all virtues and abilities under the heading "Teuton" and all vices and failings under that of "non-Teuton." After that one could see at a glance the superiority of the northern blond giant over the dark, stubby southerner. The Kaiser is said to have bought 30,000 copies of the book to be distributed where it would do most good. That the distribution was thoroughly efficient may be gathered by the loud and numerous echoes of these absurdities throughout Europe and America.

ALARMIST DOCTRINE IN UNITED STATES

This statistical race ecstasy was fostered in Germany to give an appearance of scientific support to the position of the junkers and to bolster up the belief in the divine right of kings. But it was presented in America as a prophylactic against an imminent danger to mankind. In the books of Madison Grant, Lothrop Stoddard and others, all the virtues which Chamberlain had monopolized for the Teuton were ascribed to the "Nordic," and the incense which Chamberlain, Woltmann and Wirth burned before the idol of their own making was transferred to a shrine less bespattered by the venom of the World War.

It is significant that the authors of these publications devoted to self-admiration exhibit similar mental characteristics and qualifications and employ the same technique in setting down their dogmatic dicta. They are sentimentalists blinded by fear, staggering under a prejudice and wholly lacking in any basis of scientific knowledge. Consciously or not, they base this fantastic farrago of cephalic indices, skull sutures, brain weights, intelligence tests and cultural stages on the very earliest and



The Theseum, or Temple of Theseus, at Athens (Greece). The best preserved Greek temple in the world was built probably about the same time as the Parthenon and finished about 421 B. C.

most antiquated ethnological postulates and shun the later investigations and the demonstrated conclusions of such anthropologists, physiologists, biologists and psychologists as Ripley, Boas, Lowie, Dixon, Spencer, Haekel, Lamarck, Pavlov, Cunningham, Stockard, Guyer, Smith, Griffith, Weigert and Woodworth — to mention only a few of the most noted in each field. The situation has no parallel in science; it is as if some radio amateur, troubled by a nightmare, had studied the lightning experiments and accepted the conclusions of Benjamin Franklin and on the basis of that knowledge had published books and magazine articles alarming the public with his hysterical dread of the dangers of electricity.

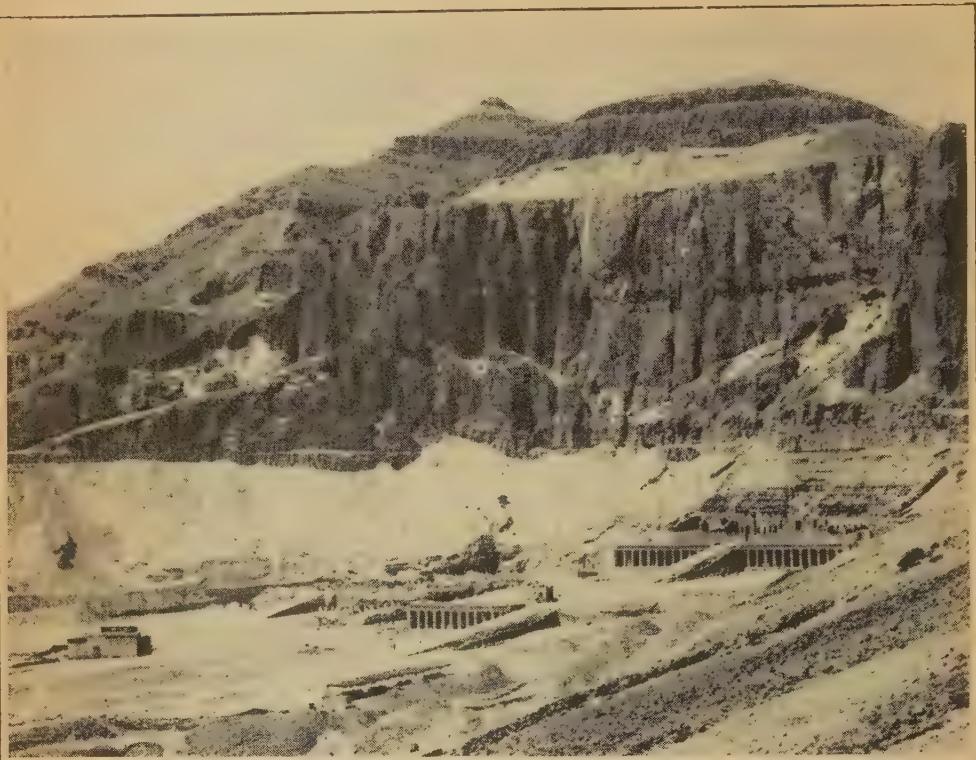
At its best this amateur anthropology is a carefully reasoned plea in support of preconceived notions; the author never admits that his main thesis is not established and, in the present state of scholarship, is not capable of establishment, that his arguments rest on debatable assumptions and his determinations on most questionable evidence. The average product, however, is usually far below this level. In the main these volumes are monstrous statistical romances given a certain plausibility by the tone of solemn dogmatism, the use of quasi-authentic traditions and the show of pseudo-scientific method. As Professor Boas once put it: "Books of this type try to bolster up their unscientific theories by an amateurish appeal to misunderstood discoveries relating to heredity and to give in this manner a scientific guise to their dogmatic statements which misleads the public."

A Main Street President has pondered on



The Arch of Titus at Rome (Latin). It was erected in memory of the Emperor Titus, who died in 81 A. D.

the awful spectacle of a dying race thus presented; Congressional committees have summoned and still summon the authors who voice this alarmist theory to ask their counsel on pressing problems and pending legislation; sensational magazines publish articles in which the patriotism of skin, hair and language is exploited to the utmost; and the man in the street mumbles shibboleths and discovers ancestors in Walhalla. Yet contradictions and exaggerations abound on every page of these pseudo-scientific treatises and absurdity vies with absurdity. Mr. Stoddard writes: "Our glorious civilization is the work of 'Nordics,' sole possessors of the desirable mental qualities, who have taken their faith from Palestine, their laws of beauty from Greece and their civil laws from Rome." Mr. Grant says: "Europe was Germany and Germany was Europe until the Thirty Years' War. * * * When by universal suffrage the transfer of power was com-



The Temple of Deir-el-Bahri, which has been dug out of the desert sands at Thebes in Egypt. The ruins bear ample testimony to the original grandeur of the building erected many thousand years ago, antedating by centuries the beginnings of "Nordic" civilization

pleted from a 'Nordic' aristocracy to lower classes of predominantly Alpine and Mediterranean extraction, the decline of France in international power set in." A report of some eugenic commission states: "Admit inferior races to dig subways and to labor as farmers, but sterilize them that they shall not act as seeds for future crops." And again Mr. Grant: "One of the greatest difficulties in classifying man is his perverse predisposition to mismatch." A chorus of voices, indeed, a veritable cloud of witnesses, declare that though Christianity is essentially the religion of Mediterranean slaves, Christ was a "Nordic." I have yet to read a book, however, which can avoid the confession that the great beginnings and the large achievements of European culture were made by the Alpine and Mediterranean stocks.

These advocates of the "Nordic" theory mislead the public; this is certain. What are the facts? Ever since Mendel, scien-

tists have been testing the fluidity of human traits, and independent scientific experiments the world over have disproved Weismann's theory and have established beyond doubt the great fact that the human body is molded and modified by its environment, that it passes on to following generations the physical changes and mental habits which it acquires, and that these characteristics, whether acquired in prehistoric times or in the last generation, remain the same only as long as the environment is unchanged. In other words, science dismisses the idea that a tall, blond race settled in the north while a short, dark race occupied the south, and justifies the belief that through countless ages the northern people were bleached in complexion and were increased in stature, whereas the southerners were tanned and diminished in size by the climate and the living conditions peculiar to each division of the earth. We have had it demonstrated

in the United States that minute modifications of both extremes toward a new type, or rather toward new types, best fitted to survive in the various sections of our vast country, take place within one or two generations.

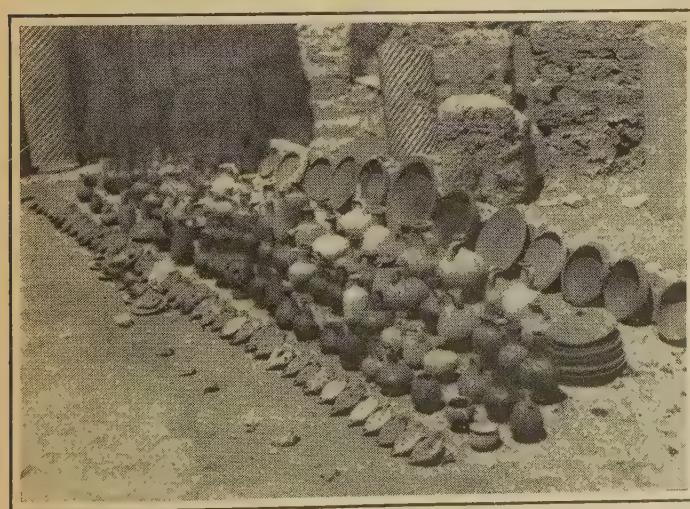
As for the nebulous "Nordic," the latest anthropological analysis by Professor Roland B. Dixon of Harvard University finds the origins of this type in the mixture of Caspian and Mediterranean types. It is safe to assume a "mixture" for the "Nordic" as for all other races, inasmuch as recent research has shown that the closest sort of contacts existed between north and south even in the earliest days of our civilization. The tens of thousands of Arabic coins which have been found on Swedish soil and which date back to the first dynasties, form one instance of the constant intercourse between the south, which wanted amber, and the north, especially Scandinavia, which needed bronze. War, however, was more effective as a means of merging the types than peace. Long before the great migrations of Goths to the equatorial regions, as a result of which northern blood infiltrated every people of the Mediterranean, there occurred Viking raids in which the warriors, if they got away at all, carried off as many women as the ship would hold to bear more Vikings in the

northern fastnesses. In later days conquests, invasions, alliances and crusades brought alien armies into every spot of Europe and intermingled every type and people. The conclusion of anthropologists that "every modern race and nationality is of strongly mixed descent" is founded on many kinds of evidence.

These facts in themselves are sufficient to destroy the illusion of a perpetually superior race responsible for a superior culture; but the preposterous impudence of this theory becomes fully apparent when we consider the history of civilization. We find, to begin with, that different nations or races are at various times in the vanguard of cultural development. Thus in the fifteenth century the standard of civilization in China is much higher than that of Europe. Western Europe surpassed the Orient during the Renaissance, but Western civilization was taken over and improved upon in many respects by the Japanese during the lifetime of the average middle-aged man. It is clear that a cultural advance is an inexplicable phenomenon; it is an accidental and fortunate combination of the right mind, the propitious time and the proper place. Cultural expansion, the shattering of old walls and the enlargement of life is always the result of a flash of genius in the powder magazine of economic and political conditions. If the leader is lacking or the time is unpropitious, the masses stagnate, whether they be white, black, red or yellow. But though nothing can explain the rise and continuation of culture in primitive peoples, we see that after a certain stage the civilization of a race is the cumulative increment of all other cultures.

CULTURE ORIGINS DUE TO NON-“NORDICS”

Nowhere is this better illustrated than in the evolution of Western civilization. The



Kadel & Herbert

Examples of pottery unearthed on the site of ancient Carthage, near Tunis, in the present-day French colony of Tunisia. Here in North Africa was a great centre of civilization that flourished centuries before "Nordic" civilization.

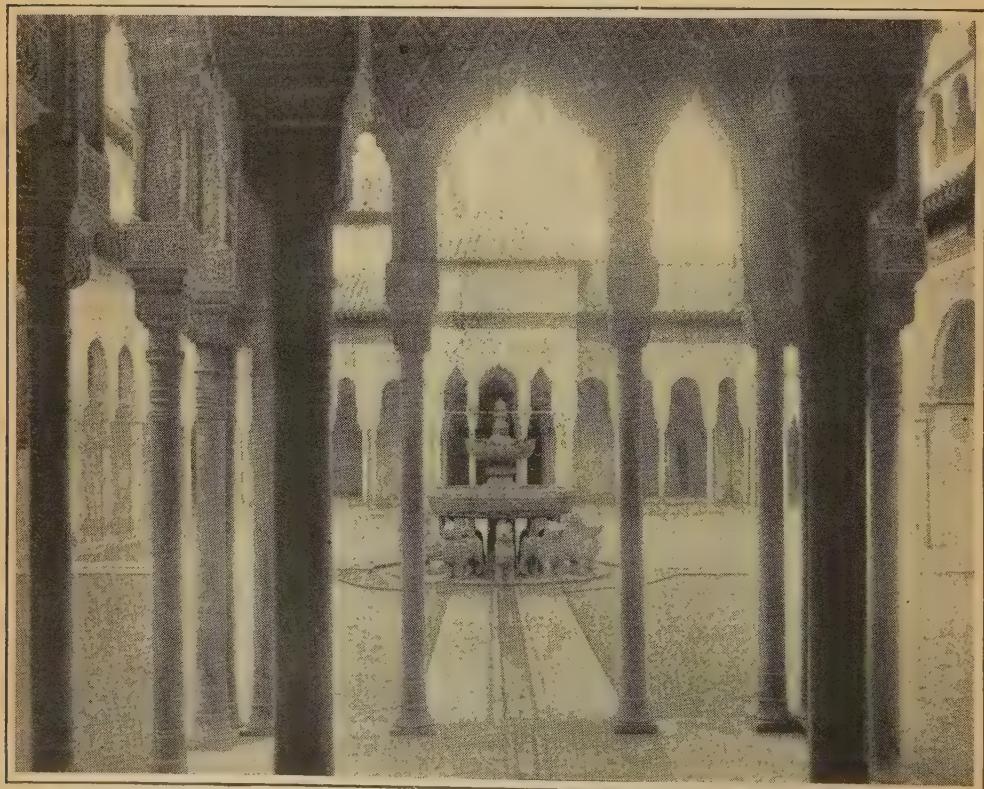
very first step of the "Nordic" from the primitive condition of the Stone Age to the higher era of bronze was impossible without southern help, because tin, a prerequisite for the bronze alloy, was lacking in the Scandinavian peninsula. Whether this or other causes delayed their development, the fact remains that the northern peoples continued in a savage state for thousands of years and it is precisely the races which our hysterical anthropologist regards as debased and inferior, which he would exclude from formative America, which have laid the foundations for whatever civilization the world now possesses and which, in numerous instances, have reached such cultural heights as we are still unable to attain, for all the aid of precedent and example.

The truth is that the origins of culture are wholly Mongolian, Semitic and Medi-

terranean. As Dr. Robert H. Lowie points out in his excellent book, "Culture and Ethnology":

Our economic life, based as it is on the agricultural employment of certain cereals with the aid of certain domesticated animals, is derived from Asia; so is the technologically invaluable wheel. The domestication of the horse certainly originated in inner Asia; modern astronomy rests on that of the Babylonians, Hindus and Egyptians; the invention of glass is an Egyptian contribution; spectacles come from India; paper, to mention only one other significant element of our civilization, was borrowed from China. * * * It is worth noting that momentous ideas may be conceived by what we are used to regard as inferior races. Thus the Maya of Central America conceived the notion of the zero figure, which remained unknown to Europeans until they borrowed it from India; and eminent ethnologists suggest that the discovery of iron technique is due to the negroes.

It is a matter of common knowledge that



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The Court of the Lions in the Palace of the Alhambra, Granada, Spain, built by the Moorish monarchs of Granada in the thirteenth and fourteenth centuries

literature and art, religion and ethics, as well as other esthetic, spiritual and material expressions of humanity reached their apogee among the Greeks, Jews and Romans, inheritors of this earlier culture, at a time when the northern barbarian was slowly evolving from a state of savagery. There is an intriguing coincidence in the fact that the "Nordic" apologist is thus attacking the nations to whose racial progenitors he owes an irredeemable debt and that the parvenu among civilized peoples is seeking to establish his superiority to the Spaniard and Greek, Jew and Italian, Mongolian and Arab. Without the inventions of India, China and Egypt, inventions which the Jews, Greeks and Romans passed on in an improved state, industry and agriculture, astronomy and mathematics, music and art might still be in a primitive condition.

A PROBLEM OF EUGENICS

A discussion by the partisans of the "Nordic" theory, of the comparative merits of the various cultural contributions made by this or that race, or of the greatness of its heroes, or of its physical fitness, invariably ends with the "Nordic" on the debit side of the ledger, but this proves nothing because it is trivial and irrelevant. It simply indicates the existing confusion as to what constitute the individuality of a race. It is a demonstrated fact that the masses of every race are mentally on a par with the masses of every other race. After testing primitive intelligence and comparing it with that of all types of white men, Professor Woodworth found no appreciable difference in the average of any of them except that the Igorote and the Negrito of the Philippines and the pygmies of the Congo were somewhat deficient. "This crumb," he writes,

"is about all the testing psychologist has yet to offer on the question of racial differences in intelligence." Furthermore, each race contains every grade of intellectual capacity, ranging from the imbecile to the genius. The proportion of idiots and geniuses is regulated almost entirely by the social, economic and political conditions in which each generation of the race happens to be living. Thus the perpetuation of any race as a whole means the perpetuation of many types—the undesirables, the inferior and the dead-level, as well as the gifted and the genius types. Hence, not only every homogeneous nation, but every nation which, like the United States, has become a vast racial melting pot, faces a problem in eugenics, viz., the problem of improving its stock.

In teeming Europe and Asia there is only one solution, the elimination of the inferior types of all races. But our own vast and sparsely settled country need not take up the surgeon's scalpel until it has tried therapeutics. It can wait to see the wondrous effects of its climate and soil, its principles of liberty and its democratic institutions. Unless all we know of the development of civilization is false, these basic gifts that America offers her immigrant will bring about the fullest expression and the finest flowering of his racial and individual qualities. If these qualities are not the vices and virtues of a single strain, but rather the characteristics of a cross-section of mankind in which the gifts of each will supplement and enrich the rest, our country, like a great orchestra, will play such harmonies as no single instrument can produce. And that will mean not the passing but the making of a great race; that will be the concrete manifestation of the ideals and the mission of America.



ALEXIS I. RYKOV, SOVIET RUSSIA'S NEW PREMIER

By PAXTON HIBBEN

Captain, U. S. A. (Reserve), Executive Secretary American Committee for Relief of Russian Children; former Secretary to the American Embassy in Petrograd; Fellow of the Royal Geographical Society (of Great Britain). Since the advent of the Soviet régime, Captain Hibben has made repeated visits to Russia to study conditions there and has enjoyed intimate relations with the late Nikolai Lenin, Rykov and other prominent officials of the Soviet Government

Rykov a revolutionary since his student days—His rise to power following the revolution of 1917—Lenin's right-hand man and adviser, his succession to dead leader's position logical and inevitable—His economic and industrial program

IN the days just after the death of Nikolai Lenin, when the press of the United States was conferring his succession upon the most unlikely candidates, from Trotsky the Jew to Stalin the Georgian, a newspaper representative called up the present writer and asked him: "Who will be the successor of Lenin?" I replied: "Rykov will succeed Lenin, just as Coolidge succeeded Harding." There was a pause; then the reporter asked: "Who is Rykov?" Many people are asking this, and they deserve an answer.

Alexis Ivanovich Rykov was First Vice President of the Council of People's Commissars of Russia and has been acting Premier virtually since Lenin's illness, that is, for the past two years. In the first Bolshevik Cabinet he was People's Commissar for the Interior, an exceedingly important position at that moment of uncertainty regarding the future in Russia. Later he was head of the Supreme Council of National Economy, when that body was charged with the salvage of what the war and the civil war had left of Russia's industry. From the earliest moment of the November revolution of 1917 Rykov has been Lenin's right-hand man, intimate personal friend and trusted adviser.

With none of Lenin's genius for divining the desire of the masses—a genius which Lenin shared with the late Theodore Roosevelt—Rykov was nevertheless essen-

tial to Lenin because, with his expert equipment in economics he was able, better than any one else in Russia, to translate the popular will into a program of action to be carried out by the Government, which would achieve what the workers and peasants of Russia wanted. Lenin possessed the vision to discern and the courage to say: "This thing must be done." Rykov possessed the technical knowledge and the patience to work out a formula by which it could be done.

More than this, Rykov shared with Lenin that priceless asset of the leaders of New Russia, pure Russian blood and peasant stock. Lenin's father belonged to the petty nobility, but his family came from the soil; so did Rykov's. In many ways, indeed, Rykov was much nearer those whose problems the Soviet Government must solve if it is to continue than was Lenin; for though Lenin was the recognized leader of the majority wing of the Social Democratic Labor Party outside Russia, where he was forced to remain by reason of his banishment from Czarist Russia on account of his political views, Rykov was Lenin's counterpart and personal representative in the same party within Russia, where he managed to elude arrest with consummate skill. It is said that the only quarrel that marred an intimate association between Lenin and Rykov, lasting over a period of twenty years, was as to whether the head-

quarters of the Social Democratic Labor Party should be established in Russia, as Rykov insisted, or outside Russia, according to Lenin's view. Rykov prevailed at first, but the arrest of most of the party leaders by the Czar's secret agents the moment these leaders stepped into Russia, made it evident that Lenin's course had been the wiser.

HOW RYKOV BECAME A REVOLUTIONARY

Rykov is 43 years old. Since his early manhood he has been devoted to the cause of building a new Russia on the ashes of Czarism. He was born and spent his childhood in Saratov, where his father, a peasant from the Province of Viatka, was then settled. Like Lenin, Rykov was driven into active revolutionary work by the implacable pursuit of the Czar's police. Though he had merely dabbled in the theories of liberalism, in his school days, as an opponent of Mme. Breshko-Breshkovskaya, his

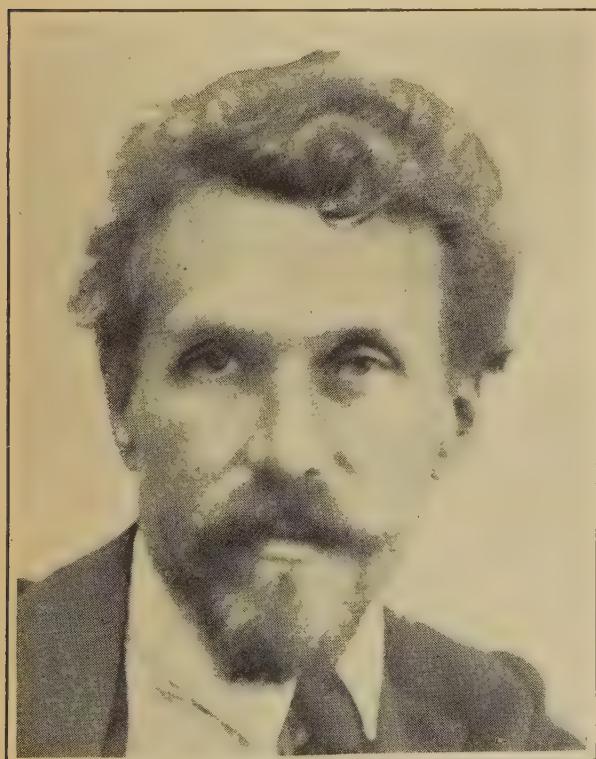
home was suddenly invaded by secret police agents and searched, and he was forbidden to attend the universities at either Petrograd or Moscow. Shortly thereafter one of his intimate personal friends, Balmashov, was hanged for the assassination of the Minister of Education, Bogaliepov, and during a May Day demonstration of the younger opponents of Czarist rule Rykov was beaten into a state of unconsciousness and left for dead by a band of the "Black Hundreds," the reactionary organizations sworn to prevent any modernization of the autocratic system in Russia.

Forbidden to matriculate in either of the leading universities of Russia, Rykov, in 1900, was compelled to attend the University of Kazan, where he studied engineering. He definitely allied himself with the organized revolutionary movement by joining the Social Democratic Labor Party, a step which led to his arrest within six months, and his sentence to nine months'

solitary confinement. He spent a total of eight years of his life either in prison—for the most part in solitary confinement—or in exile, on political charges. He escaped three times, and his escape from the Petchora Prison across the frozen Arctic Ocean, 500 miles by sledge in the dead of winter, is still historic among the alumni of the university of exile in Russia.

HIS RISE TO POWER IN SOVIET RUSSIA

Rykov met Lenin first in Geneva in 1903, where Rykov had gone to continue his uninterrupted studies in economics, in which he specialized. They were together constantly until Rykov's return to Russia to carry out his idea of establishing the headquarters of the Social Democratic Party inside Russia. During the revolution of 1905 Rykov so distinguished himself as a leader of that revolt that, together with Stalin, Enukidze, Orzhenukidze and others of the present leaders of



International

ALEXIS IVANOVITCH RYKOV

Lenin's successor as President of the Council of Commissars of Soviet Russia

the Communist Party of Russia, he was elected to the Central Committee of the Social Democratic Labor Party. When the March revolution of 1917 broke out Rykov was in prison in Siberia. Released through the general amnesty which brought Trotsky back to Russia from the United States, Rykov was promptly elected to the Presidium of the Moscow Soviet on his return as an opponent of the Kerensky régime.

Rykov, who has written extensively in his chosen field of economics, is the efficiency man of the Russian Government. He lacks entirely that too prevalent characteristic of the Russian to regard a thing planned as a thing done; unlike the majority of Slavs, he is no impractical dreamer. "Facts! Facts! Facts!" is his motto, and in his insistent demand to learn from every branch of the Soviet Government not what it hopes to accomplish, but precisely and exactly what it has done, he is the terror of the bureaucrats who, little by little, have grown to formidable proportions in the official life of New Russia.

Nor does Rykov mince words in describing actual conditions in Russia and defining the task that is before the Communist Party if it would retain power. The first act of his new leadership was to order the issue of silver coins of the Soviet Government, his object being to provide the peasants with the small change that they required for their modest transactions. He expressed his views on this as follows: "The use of a standard coin of such high value as the chernovetz [worth \$5] is to discriminate against the peasants and the laborers, who deal in small sums. It forces all business into the hands of the larger business men and freezes out the little fellow, who disposes of only one-fifth of the currency in circulation." His request for the issue of \$500,000 worth of small change in silver was immediately fulfilled.

NEW PREMIER'S ECONOMIC PROGRAM

Rykov has sharply defined and positive views regarding the economic situation in Russia. Elsewhere in this same statement he said:

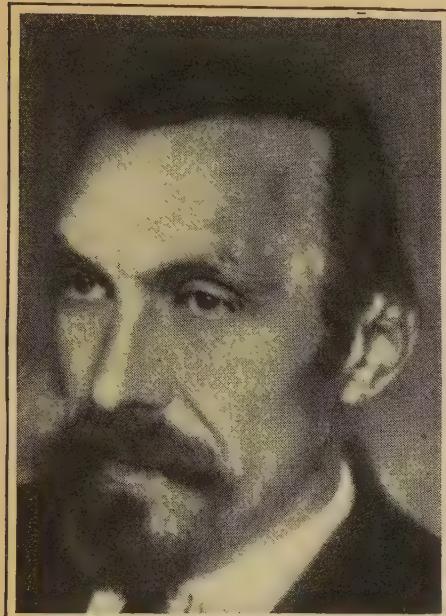
There never has been any sound working basis between the peasants who produce food-

stuffs in Russia and the industrial workers who produce manufactured articles. There is none now, and our task is to create one. There are gross inequalities between what industrial workers receive as wages and what the farmers can get for their produce. Also, the cost of manufactured articles is far too high and the market price of agricultural products too low either to satisfy the peasants or to encourage industry. The urban population of Russia is only 20,000,000, yet these 20,000,000 consume 70 per cent. of the manufactured products of Russia, while over 100,000,000 peasants can afford to buy only 30 per cent. of the industrial product. This is a false economic situation, and it is the first problem of the Soviet Government to establish both industry and agriculture on such a basis that the prices of the products of both can run parallel, and not, as now, at cross purposes. It is only on the ability of the peasant to buy that the progress of Russia and the permanency of the Soviet Government depend.

The crisis through which we are passing is not a crisis of poverty and want. On the contrary, it is a crisis of overproduction and surplus. We have a surplus of grain for which there is no market in our cities; this fact keeps down the price of bread, but it also greatly reduces the purchasing ability of the peasants.

To meet this situation, Rykov has two measures in mind—to reduce the cost of manufactured articles by instituting rigid economy and greater efficiency in the management of the industries controlled by the State and by making more economical use of raw materials; in other words, by adopting what are now known in Russia as "American methods"; and to reduce selling costs by encouraging the cooperative societies in every way, "so that every peasant and worker will find it to his advantage to buy of a Government-owned or Government-encouraged cooperative society instead of a private trader or speculator." Rykov adds:

We must take less profit and give better service; we must increase our intake by furnishing better goods at cheaper prices than the private traders can afford to do, for when there is no cooperative or when the cooperative is inefficiently managed, the peasants are forced to buy from private traders and to pay high prices. At present the wholesale business is largely in the hands of the Government and the retail business in



Another photographic study of Rykov, the new Russian Premier

the hands of private traders, who make excessive profits from their control of it. The only way we can combat them is to undersell them, and the only way we can undersell them is by greater efficiency of management and by abandoning to private enterprise such businesses as the Government cannot run more efficiently than private traders.

The second measure that Rykov advocates is directed to the immediate relief of the farmers. He proposes that the Soviet Government buy up 1,260,000 tons of grain for export, to pay for State purchases abroad, thus relieving the grain market in Russia, putting money in the hands of the peasant farmers and enabling the Russian Government to buy abroad what it requires with the advantage of a selling profit in its favor.

Though Rykov faces the economic crisis in Russia squarely, he is by no means a

pessimist, as his general summing up of the situation shows: "In the past year we have already liquidated three economic crises—the food shortage, the fuel shortage and the disorganization of transportation. We now have 1,350,000 tons of coal ready for export. There is, as I have just pointed out, a surplus of foodstuffs. The railroads, furthermore, have been sufficiently rehabilitated to be able to meet the urgent needs of the country without inconvenience."

Premier Rykov pointed out that, whereas in 1922 Russian industry had reached only 22 per cent. of pre-war production, in 1923 the figure had increased to 35 per cent., while in agriculture the present output is 75 per cent. of the pre-war figure. The balance between imports and exports is more nearly struck than at any time since 1914. Exports for the year ended Sept. 30, 1923, ran to \$66,619,500, while imports for the same period were \$73,946,000. The leading exports have been grain, \$19,660,000; timber, \$11,030,500; and oil, \$5,252,000. Germany was the principal purchaser, with Great Britain second. In imports, \$11,469,000 went for metal goods, \$8,663,000 for raw cotton, \$4,947,000 for locomotives.

The new head of the Russian State is by no means blind to the desirability of the renewal of normal relations with the United States. On this question he expressed himself as follows: "The greatest obstacle to attracting foreign capital to Russia to aid in the rebuilding of Russia's economic life is the failure of such countries as France and the United States to accord recognition to Russia. We have no trade agreements of any sort with these countries; there is no official connection of any kind between us and them that would give a legal guarantee to any business transacted between us and the citizens of those countries. It is therefore well-nigh futile to talk of granting concessions to citizens of those countries."



SOVIET RUSSIA'S FIRST STEPS TOWARD DEMOCRACY

By WILLIAM HENRY CHAMBERLIN

An American newspaper correspondent, the writer of this article has been in Russia since July, 1922, and has traveled 11,000 miles in various parts of the country, coming into contact not only with Soviet officials, who have extended him the use of official archives, but also with peasants, workers, soldiers and other classes of the Russian population

The new economic policy a cause of Communist Party dissensions—Freedom of speech a burning question—Cheka's voluntary relaxation of dictatorship—Questions of party policy publicly debated—Democratization of Communist Party now in sight

WHEN the Communist Party at its Tenth Congress in March, 1921, decided upon the new economic policy, students of the Russian revolution began to raise the question whether or not the trend of affairs did not foreshadow the gradual development of a bourgeois democracy in Russia such as followed the French Revolution. While extreme Marxists bitterly opposed the adoption of this policy, known for brevity as "Nep," as a surrender of the fundamental principles of their creed, the moderates have had their way. Private capital is recognized, under certain restrictions, it is true, but still it is recognized, and all but a few of the irreconcilable followers of Marx now admit that Russia's necessities in the gigantic problems of reconstruction made the Nep absolutely imperative.

Sharp divisions of opinion as to the operation of the Communist Party machinery came to a head just a month before the death of Lenin, and the trend toward a more democratic policy within the party itself has not been diminished by the selection of Rykov as the successor to Lenin. In fact, the Russian Communist Party is going through a process of self-examination and readjustment. The outstanding symptom of this process is a flood of public discussion about party matters. Subjects that a few months ago would have been mentioned only behind closed doors are now hotly debated in the press. Outsiders are enabled to catch glimpses of inner mysteries of party life which hitherto have been jealously veiled.

So far the controversy centres chiefly about two issues—democracy in the party organization and freedom of discussion within the party ranks. There are also important differences of opinion about the best methods of combating the dangers of the Nep and getting on with the work of Russia's reconstruction along collectivist lines; but these economic questions have remained in the background. The phrase that is on everybody's lips, that is tossed back and forth at countless meetings, that is subjected to a great variety of interpretation is "rabochaya demokratia" (workers' democracy).

In order to understand the causes and the background of the present discussion it is necessary to recall the origin and the development of the Russian Communist Party. Carrying on its activity over a long period of years as an illegal revolutionary organization, the party inevitably developed some of the qualities of a rigidly disciplined military order. In the merciless struggle with the Czarist secret police it was absolutely necessary to vest absolute power in the hands of a few trusted leaders and to carry out their orders without hesitation or delay. The circumstances under which the Communists came into power were, moreover, calculated to enhance rather than to relax the severity of their party discipline. Representing only an active minority of the population, they were confronted with the stupendous task of liquidating the wreckage of the Czarist régime and building a new society, with a minimum of technical knowledge and prac-

tical administrative experience at their disposal. Their only chance of success lay in boundless energy and audacity, supplemented and reinforced by an iron discipline that gave their party the advantage of a compact body, moving in a definite direction in the midst of the seething formless mass of revolutionary Russia.

THE WORK OF THE CHEKA

In the Summer of 1918 civil war and foreign intervention increased the difficulties of the Soviet Government. There could be no question of introducing new experiments of party organization at a time when it was a question of sheer self-preservation to defeat the Allies and the Whites. Under these conditions it is not surprising that the Communist Party developed into a sort of hierarchy, with several more or less clearly defined grades of rank. At the top stood

the all-powerful Cheka, or Central Committee, which consisted at that time of about twenty members (it has since been enlarged to forty). Its authority in the party was absolute. Through the administrative machinery which it built up in the shape of local party organizations, it disposed of the life of every party member. From its decisions there was no appeal. Of course the Cheka came up for re-election at every party convention. But there was no disposition to indulge in internal political struggles in the heat of civil war, and the more important members of the Cheka, such as Lenin, Trotsky, Kamenev, Zinoviev, Stalin and Bukharin, were re-elected almost automatically. Beginning at the top a tendency toward crystallization made itself felt throughout the whole party apparatus. The organization came to resemble to some degree an army, in which the Cheka, as the General Staff, handed down its orders through the higher and lower officers, the provincial and district secretaries, to the more or less passive rank and file of the party.

This military organization of the party unquestionably had its advantages in securing prompt, concerted and decisive action. It justified itself, at least from the viewpoint of the Communists, when the intervention was repulsed and the civil war was brought to a successful close. Unfortunately, however, forms of organization have a tendency to outlive their usefulness. The militarization of the party was certainly a valuable aid in the period of civil war. It just as certainly became a positive handicap when Russia was able to turn from war



Lenin seated in an invalid chair during his last illness



The body of Lenin lying in state after his death at Gorki, a village near Moscow

to reconstruction. This was recognized in theory; and the Tenth Congress of the Party [the Congress which adopted the momentous resolution to go over to the new economic policy] adopted a resolution in favor of putting democracy into practice within the party ranks. This resolution, as is now conceded even by the most orthodox party members, remained to a large degree a dead letter. Secretaries and other officials were still generally appointed or "recommended" from above, instead of being elected from below. Freedom of discussion and criticism was sometimes unduly curbed by threatening outspoken protestants with disciplinary measures.

There were several reasons for this failure to renovate and democratize the party machinery. There was the natural instinct of men who have power to hold it, from which Russian Communists are no freer than other mortals. There was an honest fear on the part of some leaders that sweeping changes in the system of organization might lead to splits and factionalism at a time when the party needed all its strength to fight the famine and to solve the most elementary problems of reconstruction. Moreover a certain degree of apathy and inertia, a natural psychological letdown after the abnormal strain of the civil war, made itself felt in party circles. Most important of all, perhaps, was the physical and mental exhaustion due to the hard-

ships of the period of military communism. "Every one thought only of how to get a loaf of bread or a pair of shoes," said Radek at a recent party meeting, and often there were neither bread nor shoes to be had. The general disposition was to let things drift in the old fashion, rather than to undertake a vigorous fight for the democratization of the party machinery.

So the hierarchical organization remained, with unimportant changes. And, as the Nep took its course, new lines of division within the party ranks began to appear. Some of the glowing, fanatical idealism of the party commenced to evaporate as the luxuries of capitalism reappeared and communism receded from an immediate prospect to a distant ideal of the future. The Communists who were called to occupy high positions in the Government and in the economic administration sometimes lived in a style that suggested their bourgeois associates rather than their proletarian party comrades. Specialization also came to act as a factor of division. Party, Soviet and economic administrative work absorbed all the energies of many leading party members and isolated them, perhaps unconsciously, from the masses.

As a reaction against the excesses of the Nep and the tendency toward bureaucratism that manifested itself in certain party circles a radical left-wing group developed in the party under the name of

the Labor Opposition: This group was somewhat stronger in denunciation than in constructive suggestions; but, in general, it represented the viewpoint that the party had become thoroughly bureaucratized and that only a sweeping housecleaning could restore its working class character. In some cases members of the Labor Opposition cooperated with elements outside the party, such as anarchists and syndicalists, in carrying on propaganda against the official party policy and, in a few cases, in stirring up strikes. Proscribed and outlawed by the Cheka, the Labor Opposition has survived, in more or less organized form, up to the present time; and its mere existence is a significant indication of the rift which the Nep largely helped to create in the unity of the party.

THE CHEKA'S HOUSECLEANING

Last Summer a number of strikes broke out in State factories in Moscow, Kharkov and Sormovo. These strikes, which were due to low wages and to failure to pay wages promptly, were quickly settled. Their economic effect was negligible. But,

as several prominent members of the Cheka, among them Kamenev and Stalin, testified, they played an important part in awakening the party leadership to the unhealthy conditions which had developed, both within the party itself and in the relations between the party and the masses of non-partisan workers.

Instead of leaving the field open to critics who might capitalize the discontent of the rank and file, the Cheka decided to take the lead in reforming the party organization itself. On Nov. 7, the anniversary of the revolution, Zinoviev, President of the Third International and a leading member of the Cheka, published an article that differed quite sharply in tone and contents from the ordinary paean of victory. He called attention to the small number of Communists among the workers and to the relatively slight influence which these Communists were able to exert in the factories, as shown in elections to various trade union posts. As remedies for this situation he proposed a more intensive campaign for working class members and



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The death of Lenin: The funeral procession in the Red Square, Moscow

a development of democracy within the party ranks.

This article by Zinoviev was followed by several weeks of exhaustive discussion in the party press. The situation was canvassed from every imaginable angle. Party members who had long been silent from apathy or from fear of persecution poured out their complaints about the conduct of arbitrary and bureaucratic secretaries and other officials and their suggestions for reform.

Early in December the Cheka published an extremely interesting resolution on the party situation. Russian Communists, like German metaphysical philosophers, are apt to clothe their ideas in a jargon that is almost incomprehensible to any except the initiated, and a good deal of the resolution would only puzzle the average American reader. Two sections of the resolution are clear enough, however. One refers to the undesirable effects of the Nep upon party members, which must be combated at all cost. Among these are mentioned the sharp differences in the material condition of the party members, the danger that the Nep may corrupt members who live in bourgeois surroundings, the narrowing of vision that comes from excessive specialization and the danger that the ultimate ideals of world revolution and the building of a Socialist society will be lost sight of in the atmosphere of Nep.

Another section of the resolution enumerates the concrete reforms which are to be carried out with a view to democratizing the party machinery. The principle of free election for party offices is to be observed and secretaries are not to be forced on the yachekas, or local groups, from above. The right of free discussion of all important party questions is to be guaranteed against bureaucratic interference. General party conferences, in which members in all fields of activity will meet and exchange their views and experiences, are to be encouraged. There is to be a systematic effort to freshen the atmosphere of the party by introducing new members, especially workers. This last decision may be ascribed to Zinoviev's recent action in calling attention to the fact that the party now has 350,000 members, of whom only 54,000 are workers.



GRIGORI ZINOVIEV

President of the Communist International which on March 5, 1924, celebrated the fifth anniversary of its establishment at Moscow

By conceding so much in advance the Cheka to a certain extent cut the ground from beneath the feet of its critics inside the party. At the same time the change did not take place as quietly and smoothly as the party leaders probably hoped and wished. A sharp note was added to the controversy by an open letter from Trotsky, entitled "The New Course," which was addressed to the various party organizations. Trotsky in this letter insisted that the resolution must be applied thoroughly, without wavering or hesitation. "There is a danger that we old members may become petrified," he said, in emphasizing his contention that the younger party members must be given more voice in its decisions. Trotsky pointed to the evils of bureaucracy and declared that every party member must feel free to express his opinion, even if it does not coincide with that of the majority. Trotsky's illness had prevented him from appearing publicly at meetings, but this letter exposed his viewpoint to sharp criticism in the party organ, *Pravda*,

which especially resented the suggestion that the younger generation in the party might be opposed to the older. Stalin, the Secretary of the party, attacked Trotsky still more directly in a statement in which he challenged the latter's right to call himself an old comrade, pointing out that Trotsky's adherence to the Communist Party dates back to only 1917.

LIBERTY OF THOUGHT DEBATED

All the implications of the party resolution were threshed out at a general meeting of the Moscow Communist organizations in the Trade Union Hall on the evening of Dec. 11. Kamenev here upheld the viewpoint of the Cheka. Sapronov, Secretary of the All-Russian Soviet Executive Committee, was the leading spokesman of the opposition, while Karl Radek, the brilliant journalist and authority on foreign affairs, held a middle-of-the-road position.

Sapronov directed his attack mainly against the party machinery. He accused some of the party secretaries of grossly abusing their powers. "If a comrade has independent views he is likely to be hounded from one yacheka to another until he is terrorized into silence," cried Sapronov. He insisted that the resolution of the Cheka, while correct in principle, would never be carried out in practice unless there was a thoroughgoing revision of the personnel of the party bureaucracy.

Kamenev naturally represented an altogether different viewpoint. He admitted the existence of certain abuses, which the Cheka was firmly determined to correct. But he declared that sweeping attacks on the party apparatus as a whole were mischievous and unjustified. He accused certain comrades of trying to capitalize the discontent of the rank and file for the purpose of pushing themselves into power. And he was especially bitter in his denunciation of "fractionalism," the tendency to form separate groups inside the party. This tendency was an intolerable menace to party unity and to the continued existence of the Soviet power. "We shall encourage free speech, but we shall not tolerate 'fractionalism,'" might be regarded as the keynote of Kamenev's speech.

Radek took a middle position, agreeing with the Cheka in some points and with

the opposition in others. His first plea was for the unity of the party, which was urgently needed in order to combat the dangers and excesses of the Nep. He decried the tendency toward "fractionalism," but at the same time he regarded the failure to carry out democratic principles in the life of the party after the end of the civil war as a grave blunder, which must be remedied. Radek criticized the attitude of the comrades who appealed to Lenin as a rigid and infallible authority.

"Lenin was constantly growing and changing," he said. "He often altered his attitude in regard to problems. For instance, he changed his mind three times about the Urquhart Concession. It is absurd to erect out of 'Leninism' an ironclad dogma that fetters our own freedom of judgment."

The meeting in the Trade Union Hall ended in what may be called a victory for the organization. The official resolution was accepted, and the amending motion offered by Preobrazhensky was voted down by a large majority. But the discussion is by no means over. The agitation is going on in the various yachekas, and will no doubt play an important part in the elections for the next party Congress in March. The present issues will no doubt be enlarged and complicated by the pressing economic problems which will come up for decision in the near future.

For several reasons it has seemed worth while to go into some detail in describing this party controversy. In the first place, it has been to an unusual degree an open fight. The attitude of almost all the leading party members has been made pretty clear in public statements. It has not been necessary to follow the course of developments by the doubtful light of rumor and conjecture.

Then the importance of the discussion can scarcely be overestimated. It illustrates very vividly the difficulties of maintaining democracy within an organization which is committed to the principle of ruling by dictatorial methods. These difficulties have been aggravated and enhanced by the coming of the Nep. At the same time the outbreak of the controversy is a significant proof of the inherent vitality of the party. It shows better than any amount

of argument the fallacy of the contention that communism in Russia is merely an inverted form of Czarism. The stern necessities of a desperate civil war and the apathy that represented a necessary psychological relaxation from the strain of the revolutionary upheaval might repress the democratic tendencies within the party for a time; but the healthy instinct to discuss and criticize with the utmost freedom was bound to break through in the end.

Of the ultimate victory of the democratic forces within the party there can be little doubt. Time is unmistakably on their side. The arbitrary practices within the party administration, of which there has been so much complaint, can be largely ascribed to the absolute predominance in the leading party posts of a single element—the pre-revolutionary Communists. These veteran fighters certainly made an invaluable and unique contribution to the success of the revolution, but it is inevitable that they will gradually make room for younger men who are in closer touch with Russia's present-day problems. The infiltration of these younger men, representing various social elements, the workers, the Red army, the new Communist students, into the responsible administrative posts of the party will in itself exert an irresistible broadening and democratizing influence.

And the democratization of the party will, in all probability, be reflected, although in slower tempo, by a corresponding process in the general political life of the country. Already the desirability of attracting more non-partisan workers into the Soviets and of giving them a wider scope for activity has been recognized even by such pillars of the party organization as Stalin and Zinoviev. This means a gradual revival of the Soviets as real organs of discussion and legislation. At present they are little more than passive machines for registering the decisions reached in the Communist caucuses. And the peasants, perhaps more slowly, will claim and receive the same rights of freer discussion and wider activity which are now being granted to the non-partisan workers. In short, the democratization of Russia's political apparatus, while it cannot, of course, be realized overnight, is a reasonable prospect of a not too distant future. This process would have been accelerated and made much easier if the revolutionary government had been spared the strain of blockade and intervention. When it is completed the new Russian democracy, having its roots in a fundamental social revolution, will possess an infinitely more realistic economic basis than the shaky and patched-up parliamentary systems of Western Europe.



MOSLEM ASPIRANTS FOR THE CALIPHATE

By CLINTON STODDARD BURR

Author of "America's Race Heritage" and other works on political and ethnical subjects

A new schism in Islam brought about by selection of a successor to the Prophet—Great Britain's rôle as peacemaker between Arab and Turkish factions—Possible candidates for Caliphate—Influence of the new Turkey—The Russian factor in the situation

THE drastic step taken by the Grand National Assembly of Turkey in abolishing the Caliphate is bound to have violent repercussions throughout the whole Moslem world. The bill for abolition of this religious office, which was continued by the new Government of Turkey after the exile of the former Sultan, though dissociated from all political powers, was passed in the Turkish Parliament on March 3 after storm debates. Abdul Medjid Effendi, the deposed Caliph, was forcibly compelled to leave Constantinople on the night of March 4. His destination was said to be Switzerland.

This event aroused the keenest interest in Great Britain, where fears were entertained of the effect on Indian Moslem sentiment. It was apprehended that British diplomacy would be blamed for not preventing the deposition and exile of the religious leader of the Moslem world. Regarding the choice of a successor, British press utterances and diplomatic opinion indicated a belief that Great Britain would uphold the claims of King Hussein, Arab ruler of the Hedjaz, to the succession. French sentiment, as gauged by the Paris press, inclined to the choice of the Sultan of Morocco, as favorable to French interests.

There is no doubt, however, that this historic event, which follows so closely on the abolition of the Sultanate, will focus the thoughts of the Moslem population of the British Empire upon Araby. Bagdad, of "Arabian Nights" fame, may enter upon a renascence of Oriental splendor, if it be

decided to re-establish the Arab succession when representatives of the Hedjaz, Iraq, Egypt and other States of the Arab world meet to determine the status of the Caliphate and the choice of a successor to Abdul Medjid Effendi. Rival claims to the succession exist between the Arabs and the Turks, but it is hardly possible that any of the Turanian Moslem States, extending from the minarets of Stamboul to the snow caps of the Hindu Kush, will be represented at the Arab conference; the obvious surmise being that the clash between the Arab and Turkish factions of Islam has developed into an actual break which threatens to overshadow even the ancient feud of the Sunni and Shia Mohammedans.

Essentially the schism is merely a new development of the centuries-old racial hatred of the Arab and the Turk, the most incompatible of neighbors. The doctrine of race nationalism that has sprung up in the Orient since the World War has served to accentuate this jealous antagonism in the Near East. Hence it appears to be Great Britain's rôle now and hereafter to act as peacemaker between the two divergent communities of the Moslem world. Indeed, the whole foreign policy of Great Britain appears to be wrapped up in the success of this undertaking. The success of the Turks at the Lausanne Conference has made it clear that Great Britain must revert to its old policy of supporting the rejuvenated Turks as a buffer between the Slavs and India or Arabia. Again, the Arabs must be supported in order to control the overland route to India. Taking



Wide World Photos

THE CALIPH ABDUL MEDJID

Who has been expelled from Turkey following the decision of the Turkish rulers to abolish his position

everything into consideration the British are confronted by a rather precarious situation. The mind of the East is now traveling so fast that there is little time for deliberation. At the same time the situation is further complicated by the fact that in both Turan and the Arab lands there are minor quarrels of clans, dynasties and sects, not unlike those to be found in Balkanized Europe.

First, let us take a look at the homeland of the Arabs. This desert region is a veritable labyrinth of Sultanates and tribal areas in open or veiled hostility to one another. The Hussein family wields the greatest amount of influence in Arabia, inasmuch as the King of the Hedjaz is the Keeper of the Holy Cities of Mecca and Medina, and for this reason Great Britain has placed two sons of the Sherif of Mecca on the thrones of Iraq and Transjordania, respectively. The treaty between Great Britain and the Hedjaz, which has received assurances of support from King Feisal, the Emir Abdullah, the Emir Zaid

and even the leaders of the Arab movement in Palestine, is designed to strengthen and reaffirm the friendly relations which commenced during the World War. The British, however, have also been compelled to subsidize the Puritan sect known as the Wahabis, who roam restlessly over that impenetrable and indeterminate domain known as the Nejd, and who have at various times threatened to seize the holy places of the Hedjaz. Lesser Sheiks include the Sultan of Oman and the so-called "trucial" chiefs.

EGYPTIAN NATIONALISM A MISNOMER

Egypt, too, is politically Asiatic—that is, Arab rather than Mediterranean. From time immemorial the Arabs and other Semitic peoples have poured into the land of the Nile and grafted their racial type on the ancient populations. Even at the present day one may stand at the cross-roads at Port Said and watch untamed Bedouins cross into Africa to mingle their blood with the docile peasants of Nilotic or "Hamitic" origin. Recent scientific research supports the theory that the brown-skinned fellahin are of a mixed strain as the result of very ancient admixture of Semite and negro; and hence the propagandist can find little racial basis for an "Egyptian" nationality. As a matter of fact, so-called nationalism in Egypt is not racial in a narrow sense. The modern people of the Nile are essentially Arabic in descent and undeniably Arabic in language and sympathy, as a natural corollary to their Moslem faith. It must be remembered that the Arab's conception of nationality differs from that of the Westerner. Any Moslem Arab becomes automatically a citizen of Egypt when he enters the land of the Nile precisely as the Egyptian fellahin becomes an Iraqi when he becomes a resident in the land of the Tigris. Indeed, the greatest Arabic university in the world is at Cairo, a city, by the way, founded by the conquering Arab hordes. In other words, Egyptian nationalism, so called, is merely Arab Mohammedanism under a pseudonym.

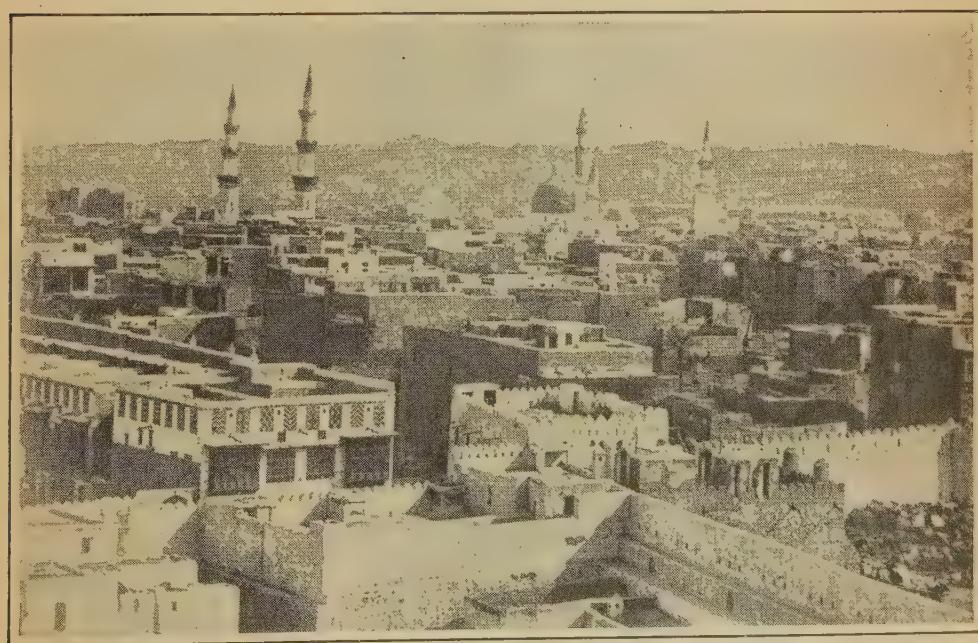
An important phase of British policy in the Levant has to do with dynastic discord. Undoubtedly the British Government (particularly under the Labor ré-

gime) is convinced that full play should be given to the plan to form a strong Arab confederation, but the Arabs themselves must prove their capacity for union before this can be accomplished. Great Britain knows that if the Arabs, with her backing, can set up a successor of the Prophet, it will simplify the situation in India (where the abolition of the Turkish Caliphate must inevitably affect the minds of 70,000,000 Moslems), Middle Africa, Malaya or wherever else the British flag waves over subjects of the Moslem faith. In spite of its strategic proximity to the Suez Canal, Palestine can have little relative value to Great Britain as long as its retention stirs up the animosity of the Arabs. It is possible that the day may come when the Zionists may be prevailed upon to depart from the unreal atmosphere of the mandate and to approach the Arabs as fellow-Semites, with the vast hinterland of Arabia awaiting the Jewish brains that would be cramped in tiny Palestine. However that may be, it is of still greater importance that both a temporal leader as well as a Caliph be found to lead the whole Arab community.

There are several figures in the Arab world that loom large in the minds of the natives as possible successors of the Prophet. First of all we may mention Mohammed VI., the deposed Sultan of Turkey, under the protection of the Arabs and British. It is true that the Arabs regard the ruling family of Constantinople, with all its branches, as parvenus. Yet, if Mohammed, the puppet of Great Britain, should decide to invest King Hussein or some other descendant of the Prophet with the spiritual attributes of the Caliphate, the added temporal and religious qualifications would influence the attitude of millions of Moslems in India and elsewhere. It has been reported that the former Caliph has been in ill health, which may have a bearing on the choice to be effected at the coming Pan-Moslem conference. The more recently deposed Caliph, from his refuge in Egypt, will also be a candidate for a non-Turkish Caliphate.

KING FUAD'S UNPOPULARITY

As for the King of Egypt, who also has designs on the Caliphate, it may be



Gilliams

Mecca, the capital of the Hedjaz and one of the holy places of Islam. King Hussein of the Hedjaz, who was formerly Grand Sherif of Mecca, has been proclaimed Caliph

said that he is far from being popular with his own people. Not only does he owe his possession of the throne to the British, which in itself is a cause of suspicion in the minds of his subjects, but he lacks the ability to speak Arabic without a foreign accent, owing to his having been brought up and educated in Italy. Moreover, the people of Egypt are not unmindful of the control exercised by the British through their possession of the headwaters of the Nile in the Sudan, which are all-important with regard to the periodic irrigation of the Nile Valley. It is well understood that the British can at any time bring pressure to bear for the removal of King Fuad with the same facility that they elevated the latter to the throne.

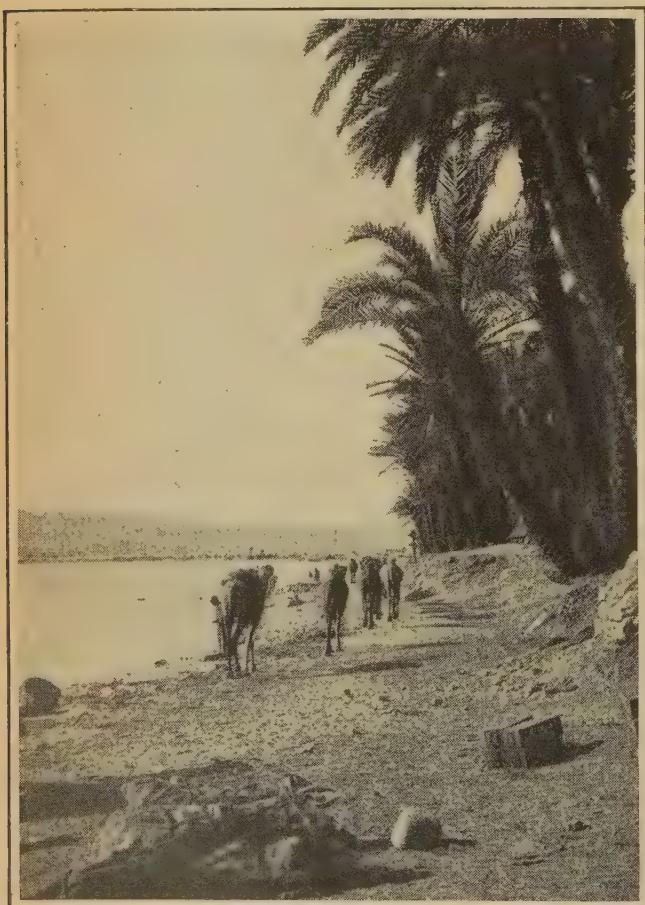
The Hussein family, which claims direct

descent from the Prophet, is in possession of the most desirable lands of Arabia proper and of the holy places that loom large in the eyes of all Islam. It is true that the Wahabis, the sworn enemies of the Shereefian family, would protest emphatically against the elevation of King Hussein to the Caliphate, but it is hardly likely that these fanatic tribesmen could stand for long against the combined armies of Arabia, Iraq, Egypt and Kerak, backed by the moral and military support of the whole British Empire.

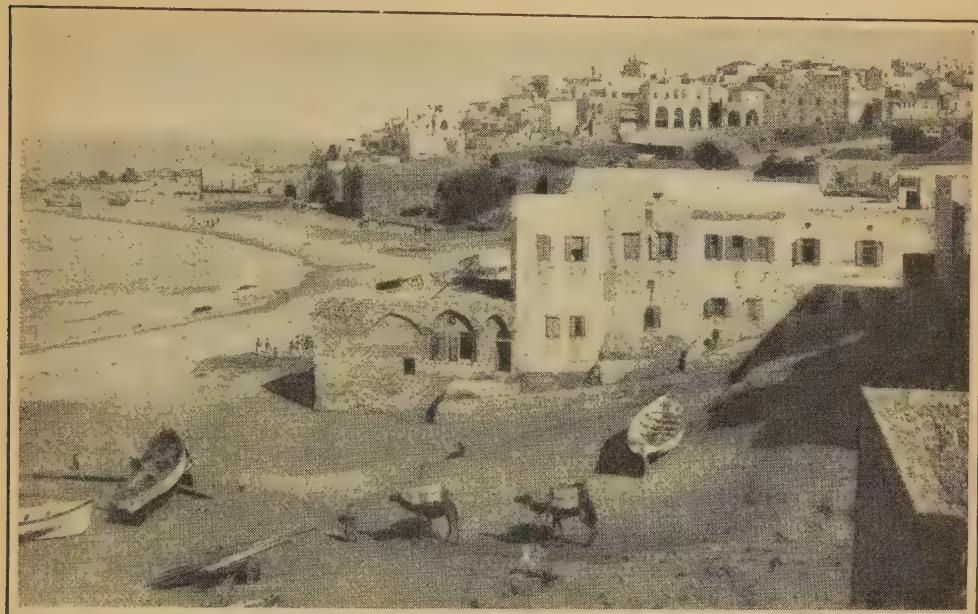
Not the least of the possible claimants of the Arabian Caliphate is Aga Mohammed Khan, forty-eighth in direct descent from Fatima, daughter of the Prophet, and her husband. He bears the title of Sultan and Shah and possesses the dreaded power of excommunication in the minds of his Moslem co-religionists in India and elsewhere. Moreover, he was educated in England and is well qualified to promote cordial relationships between the Arabs and the British Empire.

It is, however, too early to hazard a guess as to the final choice of an Arab Caliph. Every Moslem country except Turkey has a claim to the Caliphate. It is even possible that an unknown successor to the Prophet may ride out of the desert. From its windows at Aden, the stronghold on the Red Sea, and at Suez, Great Britain will keep a watchful eye upon deliberations.

In the formation of a greater Arabia England foresees that France will find herself in such a strategically weak position in the Levant that she will be compelled to evacuate Syria, which can never be anything other than a threat to



Palm-fringed shore of the Kingdom of the Hedjaz on the Red Sea



Jeddah (or Jidda), the seaport of Mecca

British communication lines with India. With a third son of Hussein aspiring to rule in Syria, in opposition to the mandate, the position of France in the Levant is becoming more and more untenable, and is even affecting French influence in Barbary, where French control has been dependent hitherto on the long-existent jealousy between the Berber majority and the Arab minority.

Great Britain will welcome a strong Arab nation encompassing the eastern shores of the Persian Gulf, with their Arab population and valuable oil wells, as an offset to Slav or Turanian pressure toward an outlet on the Indian Ocean. This region already falls within the British sphere of influence; while Southwest Persia and Southern Afghanistan are already to all intents and purposes outposts of British India, thus effecting an unbroken barrier to aggression from the north under the guns of the British fleet in the Indian Ocean. In proclaiming Iraq a free State instead of a mandate and in pushing the treaty with King Hussein, the British are demonstrating their frank intent to encourage the formation of a great Arabian confederation. It may be that Cairo will

become the seat of temporal power in a great Arab Government (which has long been the dream of the Egyptians with respect to their Arab-founded capital), while the spiritual potentate, the Caliph, might hold sway from Mecca to Bagdad. This plan would be in accordance with Moslem law, which clearly differentiates between temporal and ecclesiastical rule. In other words, the position of the Arab Caliph would be somewhat analogous to that of the Pope in Rome or the Turkish Caliph in Constantinople.

THE TURKISH CALIPHATE

Let us now peer into the claims of the Turanian camp. The Turkish Caliphate, which dates back to the Sultan Selim, who received the unauthentic cession from the Abbassid Caliph at Cairo in 1516, has come to an end in 1924. Even the Shia sectarians of Persia and the Shiitic dynasty of that country welcome the liberalized doctrines of the new Angora régime. The Turcoman Shah of Persia (now threatened with enforced abdication, owing to his unpopularity) and the Amir of Afghanistan have always been jealous of their temporal prerogative, and must naturally view the Pan-Turanian move-

ment in Turkey with some measure of suspicion. Nevertheless, the relations of these buffer States with Angora is now more cordial than at any other time in history, and it is not so far beyond the range of possibility that the Angora cat will stealthily prowl behind the Hindu Kush at no distant date.

Angora is not only the capital of the Turkish State, but it is the focus from which race nationalism is spreading throughout all Turan. In spite of centuries of blending, the peasant of Anatolia is still the nomad from the steppes of Central Asia. Turkey no longer is facing westward. She no longer dares to covet the Balkan Slavs and the Arab lands. But the marvelous advance of the Pan-Turanian movement outside Turkey has turned the eyes of the shrewd Turkish diplomats to the eastward. Following in the footsteps of the late Enver Pasha, Turkey will bind together gradually the various elements of the Turco-Tartar stock from which she sprang, reaching into the furthest recesses of both Western and Eastern Turkestan, her Turanian homeland. Her treaty with the Amir of Afghanistan (who favors Turkish speech and influence and has hopes of gaining the Caliphate) aims at a confederacy to include Turkestan.

Already there are indications of the trend in that direction. Turkey's attitude has had its effect in preventing Russia from again swallowing the Tartar Mohammedans of Azerbaijan, much as the Slavs covet the Baku oil fields in the hands of the Tartar millionaires. Indeed, the Azerbaijan Government has now made compulsory the revival of the Turcoman language in all local and State institutions and official organizations, while the Slavs have been impelled to recognize Turkestan, the Kirghiz and Tartar Republics, Khiva and Bokhara, as well as Azerbaijan, as nominally independent States. War Minister Trotsky of the Soviet Government declared that the new plan would give further autonomy to the Russian dependencies, notably in the case of Turkestan and Bokhara, which would soon have their own standing armies. "By this," asserted Trotsky, "we shall be able to inflict a deadly blow at British imperialism in the colonial countries." From which it can be seen that the

various regions of Turan are to benefit from Anglo-Slav rivalry in the future. The Turk will rescue Central Asia from the European precisely as he saved Anatolia and the Golden Horn.

When the mission representing the "Young Bokhara" Party arrived in Afghanistan last June, with the object of enlisting support for the plan of a Turkestan national republic, claim was made that there was a widespread movement afoot for the establishment of a Federation of Central Asian Moslem States. The series of treaties in 1921 that established the Entente Orientale between Turkey, Persia, Afghanistan and Bokhara is but one indication that the doctrine of Pan-Turanism has become a fixed policy of Turkey since the loss of its Arabic provinces. The religious motive binding the Turanian lands is no longer paramount as a result of the limitation of powers of the Turkish Caliph while in office and is merely carried along in conjunction with the rapidly growing racial motive of Pan-Turanism.

RUSSIA'S POLICY

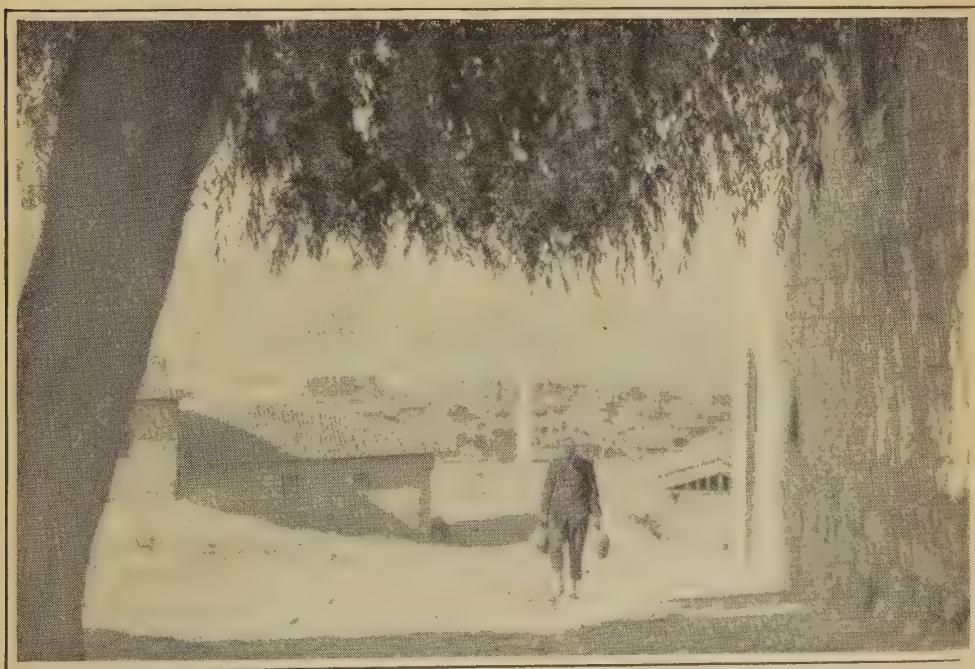
It may be possible, in the event that Great Britain and Russia become involved in a deadlock, for Turkey, by a bold stroke, to form a mightier buffer State between Russia proper and India. If we are to judge from the present trend of affairs in the Middle East, the time is coming when Russia, as well as Great Britain, will be seeking the good will of a rejuvenated Turkey. In that case the Slavs will allow their Turco-Tartar republics to become part of a confederation of Turan, while Great Britain countenances the Turkish penetration of North Persia and Afghan Turkestan. Eastern Turkestan, which now lies at the mercy of any predatory power, may join its kindred to the westward. It is rather significant, by the way, that Russia is satisfied to pursue her machinations in outer Mongolia without so much as a glance at helpless Eastern Turkestan. Can it be that Russia feels that her rule in Central Asia is weakening and that she is loathe to assume new responsibilities in this direction?

As for the Moslems of India, it is most

problematical whether they would continue to recognize the Caliph at Constantinople in preference to the Aga Khan, or some other direct descendant of the Prophet, backed by the support of the British Empire. It is significant that many of the Moslems of India claim descent, at least in part, from Arab conquerors who spread Mohammedanism in India, and it is probable that the majority of them would be loyal to an Arab Caliphate under British auspices rather than to an upstart Turkish Caliphate stripped of its potential strength.

The World War taught all primitive peoples that the prestige of the white man is based on superior physical force or clever diplomacy. The wily Turk is a past master of the art of arousing the antagonism of the great powers, as was so adeptly demonstrated at the Lausanne conference. The intrigues of such rivals as the British and Slavs in Turan can be made the medium for a continued advance of Turkish interests with the connivance of one or more of the European nations.

The fight for the Caliphate has begun. The jealousies of the ancient Ommiad, Ab-bassid and Fatimite dynasties may be as nothing compared to the animosities that may be engendered as a result of the schism now developing. Islam is in ferment. The guardian of Mecca, a descendant of Fatima, has unfurled the Arabian flag with its three broad stripes, black, white and green, and triangular base of red, with seven-pointed star, the ensemble signifying the four Arabic dynasties and the various regions within a greater Arabia. In Cairo, second only to Mecca as a Moslem centre, Mohammed VI., the deposed Sultan, has issued his proclamation calling upon Islam to ignore the pretender at Constantinople. The Aga Khan awaits the call from the Arabs and the Moslems of the British Empire. Who knows whence will come the new Arabian successor of the Prophet? One thing is certain. Arabs and Turks can never be united, even under the remarkable assimilative powers of Islam. The centuries since the Ottoman conquest have proved this very clearly.



Wide World Photos

A view of Angora, the capital of Turkey, where the Government has decided that the Caliphate shall be vested in the Grand National Assembly

THE AMERICAN RECONSTRUCTION OF PERSIA

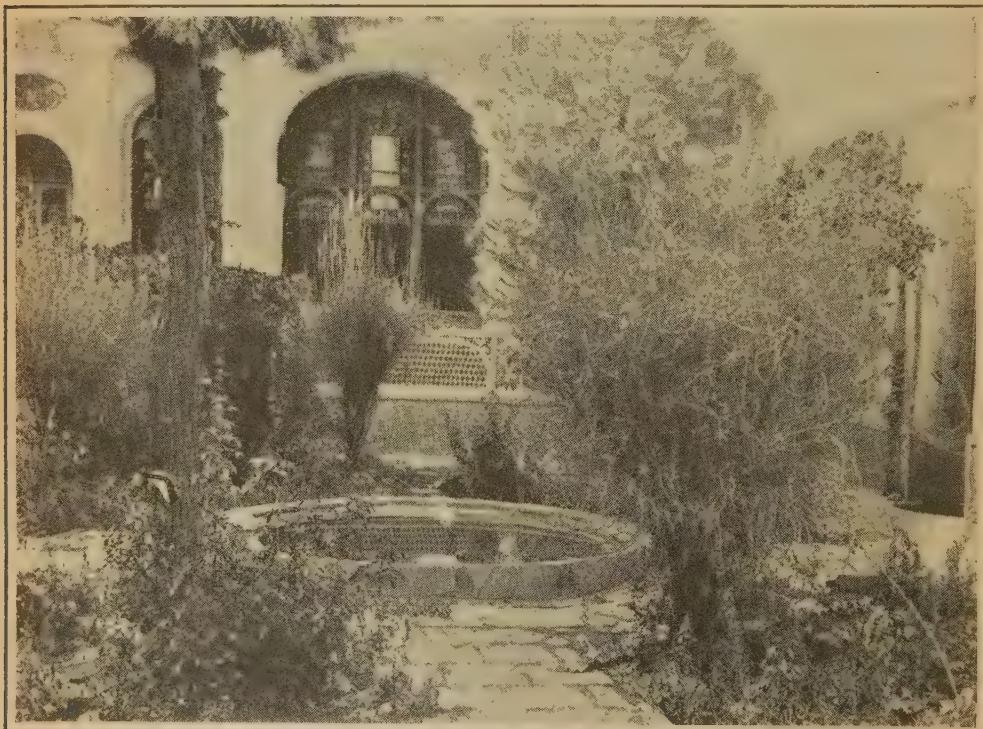
By FREDERICK SIMPICH

Formerly United States Consul at Bagdad; author of numerous magazine articles on financial and business topics

Dr. Arthur C. Millspaugh and his American assistants reforming Persia's chaotic administration—Balanced budget established and taxation put on equitable basis—Reform program now in hand—Riza Khan's re-establishment of Teheran's authority

PERSIA has received an abundance of foreign advice, although she has not always followed it. Shah Abbas, as early as 1598, borrowed British brains to train his army, and in recent years advisers from Russia, France, England, Belgium, Sweden and the United States have coached the ancient Peacock Throne, for better or for worse.

When British-Russian rivalry arose in Asia, Persia's place on the map as a buffer State made her an arena for the diplomatic conflicts of London and St. Petersburg. No nation ever suffered more from the meddling of outside powers. Today, for the first time in decades, this old Kingdom of the Lion and the Sun finds itself fairly free from foreign political pressure.



A private garden, Teheran, capital of Persia

No longer is Teheran an ideal spawning place for the intrigues of those who would dominate the Middle East. The Russians are gone; British influence has waned. It may revive, but for the present Persia enjoys comparative peace. A group of American experts is helping to balance her budget, to improve banking, roads and agriculture—in fact is actively engaged in putting the nation on a sound economic basis.

The war left Persia prostrate. It freed her, however, from the Anglo-Russian agreement of 1907 and its attendant evils. At the same time, the collapse of Russia left London a free hand; and, in Persia's weakened condition, the famous Anglo-Persian agreement of 1919 was easily imposed. This pact was never popular in Persia, and when Teheran repudiated it in 1921, the then British financial adviser, Mr. Sidney Armitage-Smith, was dismissed.

Thereupon Persia renewed her request, frequently repeated since the time of W. Morgan Shuster, that another American financial adviser, accompanied by experts in other administrative work, be sent to Teheran. After conversations between Secretary Hughes and Hussein Khan Alai, Persian Minister at Washington, the Persian finances and authorized him to engage Millspaugh, then economic adviser to our State Department, as administrator of Persian finances and authorized him to engage various American assistants. In November, 1922, Millspaugh and his staff reached the Persian capital. Millspaugh was engaged on a five-year contract at \$15,000 per annum, plus travel costs, quarters and so forth. His American experts in banking, taxation and other administrative work are paid in proportion.

When Millspaugh and his staff reached Teheran in November, 1922, the treasury was empty and the fiscal administration in chaos. Peculation such as only Oriental ingenuity can devise was rampant. A budget was unknown. Claims were unpaid; thousands of letters remained unanswered. Outlying provinces maintained their own troops, and not only refused to pay taxes but did violence to collectors sent from Teheran. Even in Teheran many of the



THE SHAH OF PERSIA
In Western holiday attire while on a visit
to a French seaside resort

richest citizens paid little or nothing to support the Government, which was too much torn by opposing cliques to enforce its own orders. Just before Millspaugh arrived the Teheran newspaper *Tufan* said:

Cabinet members do not like to pay taxes on their own lands. If you doubt this, read "The Strangling of Persia," by Morgan Shuster. * * * He could not collect taxes on lands belonging to the nobility, and when he tried to collect them by force, the nobles appealed to Great Britain and Russia, and demanded his expulsion within forty-eight hours.

Today, thanks to American effort, Persia has a budget. Revenues are paying current expenses and leaving a bit to apply on arrears. The Americans' task is hard; their reforms, in many high places, are still unpopular. British and Russian interests, however, are no longer in jealous conflict, and this has made Millspaugh's task less difficult. Shuster left a great name; he is remembered as a strong man, loyal to the Persian people, but impatient with official lethargy and inefficiency. What Shuster tried to do by direct, forceful action, Millspaugh seeks to do through the agency of the Persian authorities. Slow, taciturn, with naught of the spectacular in his work, he feels his way cautiously. He plans, devises, drafts regulations; then, by tact and patience, he urges their strict, impartial enforcement through the Council of Ministers. Finally, and most important of all, he has behind him a courageous Minister of War and a well trained army, which is no longer subject to the influence of rival foreign powers. Shuster planned to use the gendarmerie to enforce his orders, but when he named a British Army officer to train it, Russia sent Teheran the ultimatum that led to Shuster's dismissal.

Persia's progress toward a more stable economic basis is due largely to the work of this new army, which functions somewhat as a constabulary or security police. But its costly development, in turn, was made possible only by the effective initial work of the American financial experts. On both sides there has been tactful, earnest cooperation. Without constant armed support Millspaugh could never have compelled the distant, turbulent tribes and the rich and powerful tax-dodgers to pay up. It is from funds thus gradually gathered that Persia's once detached, poorly paid army units have been transformed into an excellent fighting force.

For years travel in Persia was unsafe. Hundreds of thieves lived by plundering the Shah and Sunni pilgrims, who swarm across the western provinces, bound for Kerbela and Mecca. At times the movement of freight and supplies along the caravan trails was almost impossible. Now robber bands along the trade routes are being hunted down and punished by the new army. Three full divisions, with tanks, airplanes, mobile artillery and wireless, are at the War Minister's disposal. A camel corps, ready to run down either brigands



The delta of the Shat-el-Arab, where the Karun comes down from the oil fields



Keystone.

ARTHUR C. MILLSPAUGH

Chief financial adviser to the Persian Government; formerly economic adviser to the United States Department of State

or obstinate tribesmen who are loath to pay taxes, is on duty at Seistan for work in the southeastern deserts. The cost of this army, in comparison with revenues, is admittedly great. In this year's budget two-fifths of all income goes to the War Ministry and to national defense. How to pay so much to one department and have funds left for the Government's other current needs is one of Millspaugh's problems in balancing his budget. He probably feels that the army is far too expensive, yet without it the estimated receipts for this year could never be collected.

One man created this army. He is more powerful than the Shah. In long decades Persia has known no such amazing figure as this Riza Khan. When the Anglo-Persian pact broke down in 1921, predictions of Persia's early economic doom were heard from Bombay to Downing Street.

Upon the withdrawal of British Treasury support and the disbanding of the British-trained South Persia Rifles, it was freely prophesied that a Bolshevik army would soon take Teheran; that the whole country must collapse into ruin and anarchy. But the prophets reckoned without Riza Khan, this man of humble origin, son of a poor farmer, once a private soldier in the Shah's bodyguard of Russian-drilled Cossacks.

For sheer romance and adventure, Riza Khan's rise to power in three short years is a feat unrivaled in the annals of the East. Today he is H. H. Riza Khan, Sardar Sepah, Premier of Persia and War Minister. The latter post he has held through half a dozen crumbling Cabinets. The army is his passion. With it he is making Persia a safer place to live in and do business. With it he pacified the rich Province of Khorassan; he slew Kuchik Khan, the so-called Robin Hood of Persia, and put the long defiant City of Resht on the roll of taxpayers. From Urmieh on the west frontier—known to American missionaries—he drove out the plunder-loving Kurds and banished Simko, their lawless chief. He even disarmed the warlike Bakhtiaris and forced them to pay taxes assessed by Millspaugh.

Down in Southeast Persia, in a flat, mud-walled, palm-fringed river town, lives the powerful Sheik of Mohommereh. When our boat passed his picturesque retreat our British skipper fired a salute. It paid the British to humor this Sheik, for an important office of the Anglo-Persian Oil Company is situated in Mohommereh. They conferred on the Sheik a high Indian honor and gave him a portrait of the King. Through long, turbulent years, in this stronghold, the Sheik's word was law. No man dared cross him. Tax collectors, who prized their heads, avoided Mohommereh. To the demands of remote Teheran the Sheik turned a deaf ear—until Riza Khan's rise to power. His hearing improved when Riza Khan suddenly garrisoned Mohommereh with troops from Teheran. He even cordially received Colonel McCormack, one of Millspaugh's American tax collectors; more than that, he paid up \$100,000 of arrears, arranged to pay \$400,000 of additional arrears and promised to contribute \$150,000 a year regularly. Incidentally,



Persian highland trails in Winter



A horde of Persian nomads

he tactfully presented to Riza Khan a modern tank which he had received from the British. The story of how Riza Khan and the American tax agents took from the long defiant Sheik of Mohommereh his hoarded riches is story-teller's gossip in every bazaar from Bushire to Ispahan and even to Bagdad.

Persia owes London about £5,500,000, according to the British, although the Persians contend that the sum is less. The British now show more interest in the rehabilitation of Persia than in the nationality of the rehabilitator. Soviet Russia forgave the debt of £6,000,000 owed by Persia to the Czar's Government—an act which has been variously interpreted. Persia's debt, per capita, is small. Her currency is not inflated.

The British are the only foreign holders of important investments in Persia. Besides their loans, they have put millions into the Karun oil fields. Persia's current budget, prepared by the Americans, shows anticipated revenues from the southern oil fields of about \$2,738,000. In popular belief, Persia's chief source of revenue is oil. But under this budget customs receipts of over \$6,000,000 are expected. Next in importance is the revenue from indirect taxes, estimated at \$4,432,000, with oil tax income in third place. Public domains, opium excises, indirect taxes, tobacco and other sources of income make up the \$20,700,000 of estimated revenues for the fiscal year now ending—as against \$20,661,500 of authorized expenditures. When one considers that as late as 1922 Persia was spending more than her whole revenue on the army alone, one can see that Mills-paugh and his American aids have made headway.

AMERICAN OIL INTERESTS

In Persia, as elsewhere, oil is the fount of controversy, and just now Teheran is the scene of conflict between American and British rivals. Some time ago the Persian Parliament passed a law granting the Cabinet authority to negotiate leases on oil lands in North Persia. It is provided, however, that any lease made must be submitted to Parliament for approval. The Cabinet, in angling for such a lease, sought also to raise a large foreign loan

in connection with it. In due course of time an American concern, the Sinclair Consolidated Oil Company, appeared at Teheran. On its promise to float a \$10,000,000 loan for reconstruction work in the United States, the Cabinet granted it a lease on these northern fields. The Persian Minister at Washington has stated that this lease will no doubt soon be approved by Parliament. Disputes have arisen between the Anglo-Persian Company and the Sinclair Company over certain alleged conflicts of interests. In this oil fight the American advisers are involved only to the extent that they are interested in any foreign loan raised by



Harris & Ewing

MIRZA HUSSEIN KHAN ALAI
Persian Minister to the United States

Persia and its effect on her finances. Incidentally, since her budget is now so much strengthened by the increase in internal revenues, she is not so hard pressed for a foreign loan as in 1923, when Parliament sanctioned the borrowing of not more than \$40,000,000 for the development of natural resources, public works and so forth.

The Persian Minister at Washington has made the following further statement regarding present conditions in Persia:

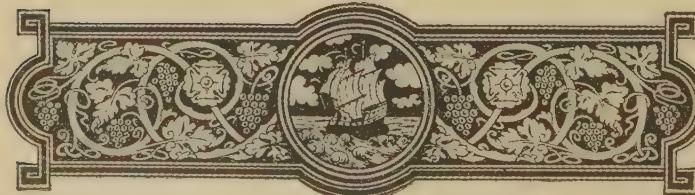
It is still our hope that loans may be raised in America and American contractors induced to undertake jobs in Persia. In addition to the American staff already in Persia, I now have authority from my Government to employ several more. We desire two more provincial directors of finance, a director of taxation, a lawyer and an agricultural expert.

Dr. Millspaugh and his staff are doing excellent work. My Government is giving them full support. Finances have now been so much improved that attention is being turned to transportation and agriculture. Since American methods are being introduced into our administration, we are encouraging a larger number of Persian students to come here for training along American lines. These young men, having studied engineering and agriculture and imbibed the

lofty ideas of America, will return well fitted for service in Persia. They will also be useful to the American advisers.

One of the most popular measures of the American advisers has been their attempt to restrict and control the growth, sale and smuggling of opium. Though the Americans are urging Persia to comply with international agreements on opium traffic, they realize that inasmuch as opium has been so long a leading source of revenue, the country cannot do away with it at once. An effort is being made to substitute silk and cotton crops for the poppy. Besides their efforts to improve farming, highways, irrigation and sanitation, the American advisers are also engaged with the question of Caspian fishing concessions, and with a battle against the grasshopper pest.

Again, then, Persia is receiving advice, but now under different conditions than heretofore. An interesting experiment is being made in one of earth's oldest nations, interesting to the United States, to Great Britain, to Russia and to all Persia's near neighbors, but important as this experiment is to these nations, it is most vital, above all, to Persia.





The large, massive City Hall of Tsingtao, built by the Germans and handed over by the Japanese when they returned the leased territory of Shantung to the Chinese

SHANTUNG AFTER A YEAR OF CHINESE RULE

By J. J. HEEREN

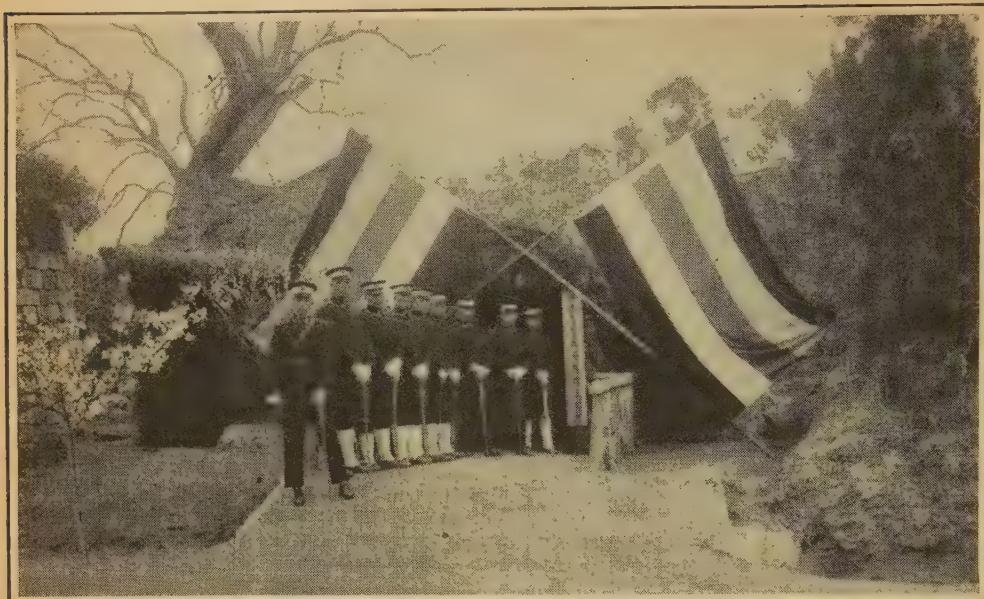
Professor of History and Political Science, Shantung Christian University, Tsinan, China. The author of this article is an American citizen who has lived for twelve years in Shantung

Successes and failures of Chinese administration since the territory was restored by the Japanese—Baneful influence of the Peking militarists—Young Chinese trained in America a new progressive force working for efficiency

IT is now just over a year since China became her own master in the former leased territory of Kiaochow and on the Shantung Railway. Has China justified the fears of failure on the part of her detractors or fulfilled the hopes for success of her friends? In one sense she has done neither; in another, both; at any rate she has given material for arguments to both foe and friend. Critics point to these facts: As Director General of Tsingtao the Peking Government appointed a militarist of the old school; the head of the Department of Finance is accused of diverting funds to Peking; the Wharf Administration is dis-

trictly inefficient; the young, foreign-trained Chinese are crowded out as soon as possible. On the other hand, the streets of Tsingtao and the outlying roads are in good repair; the forests have never been in a better condition; the policing is efficient; the Shantung Railway has done all that can reasonably be expected of it.

The year began with clear indications that C. T. Wang, Director of Rehabilitation of Shantung Rights, was not to be the permanent Director General of the Port of Tsingtao. The appointment of another man was a defeat for new China, for Mr. Wang made it abundantly clear that, if he were



A squad of Chinese police at Tsingtao

appointed Director General, his supreme ambition would be to make Tsingtao the model city of the Far East. Tsingtao should convince the world that the Washington conference had not misplaced its confidence when it allowed China to return to this part of her own sacred province. A graduate of Yale, with Phi Beta Kappa honors, having served as Vice Minister of Commerce, Vice Speaker of the Senate, National Y. M. C. A. Secretary and as one of the delegates to the Paris Conference, where he refused to sign the Versailles Treaty, as well as Director of Rehabilitation, C. T. Wang would have made an ideal Mayor, or Director General, of Tsingtao.

Not long after the transfer by the Japanese of the leased territory General B. C. Hsiung (Hsiung Bing-chi), Civil Governor of Shantung, was appointed Director General. Cleverly taking advantage of the slogan "Shantung for the Shantungese," by which the Shantung politicians meant that all the luscious political plums in Tsingtao were theirs to pick, the militarists behind the scenes in Peking pulled the wires so as to secure the appointment of General Hsiung, the puppet and former Chief of Staff of General Tsao Kun, now

President of China. General Hsiung was already Civil Governor of Shantung; but since Shantung was his native province, the Shantungese had "no face" to object to the General as Director General. This appointment was a most clever move on the political chessboard, because (1) it took the wind out of the sails of the "Shantung for the Shantungese" group; (2) the appointment undoubtedly made it possible to divert a part of the Tsingtao revenues to help finance Tsao Kun's election campaign, and (3) it enables Tsao Kun, whenever he deems it necessary or desirable, to turn Tsingtao into a naval base to guard one of the back doors of Peking against Chang Tsao-lin, the "War Lord of Manchuria." In short, Tsingtao has become the prey of the politicians.

Since the Peking Government is virtually bankrupt, the militarists dominating the capital cast greedy eyes on every available dollar. Tsingtao offered an opportunity for securing some ready cash. Through the influence of General Hsiung, L. C. Gwoh, another Shantung man, was appointed head of the Department of Finance. Outside his clique Mr. Gwoh commands very little respect. Six months after the return of Tsingtao he had not yet

worked out a clear-cut budget, nor would he or could he give any definite idea of the revenues of the port, while the state of the land leases of the former leased territory was one of utter confusion. The checking up of such figures as Mr. Gwoh did give with the revenues of the port during the Japanese occupation left no doubt in one's mind that several hundred thousand—some well-informed persons put it as high as one million—dollars of revenue were unaccounted for and presumably were being diverted to Peking.

The best single source of income in Tsingtao is the wharf receipts, about \$1,000,000 annually. Yet in spite of these large receipts the wharf facilities are not kept in repair. It has, for example, been complained by the captain of a large ocean liner that the Tsingtao harbor facilities are so poor that the Wharf Administration does not possess even a decent tugboat with which to berth vessels. What becomes of the wharf receipts has never been answered satisfactorily. Although before



T. P. GUNG

The Resident or Vice Director of Tsingtao under General Hsiung



GENERAL B. C. HSIUNG (BING-CHI)

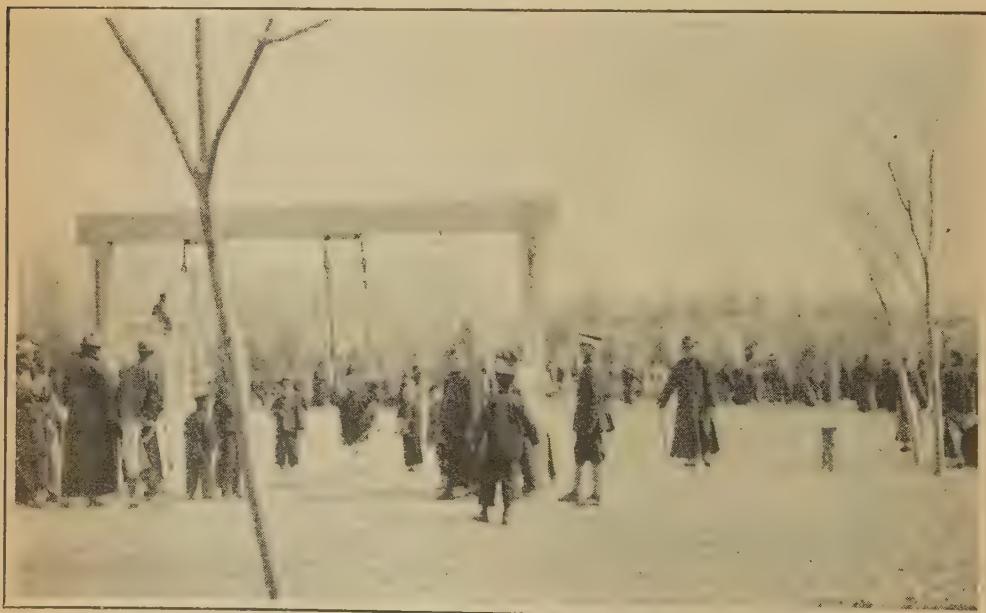
Civil Governor of Shantung and Director General of Tsingtao; formerly Marshal Tsao Kun's Chief of Staff

Tsao Kun's election campaign the finances of the port were not in a serious condition, since he became President they have become so desperate that at the end of 1923 the salaries of the heads and the employes of several of the departments were three months in arrears. In short, the finances of Tsingtao are under the thumb of the militarists.

During President Li Yuan-hung's second incumbency General Tsao Kun virtually controlled Peking; Peking appointed General Hsiung Director General of Tsingtao, and the latter saw to it that a man subservient to the militarists was put in charge of the finances. With the finance department of the port in the hands of Old China and the military men, Young China was welcome to some of the other positions. Since his duties as Civil Governor of Shantung kept General Hsiung too busy to pay much attention to the affairs of Tsingtao, T. P. Gung, a native of Shantung, was appointed Vice Director with offices in Tsingtao. Mr. Gung, an unassuming and a well-meaning man, has done his best to



Some of the staff of the Shantung Bureau of Agriculture and Forestry which has charge of the 80,000 acres of officially controlled forests in the former leased territory



A playground in one of the Tsingtao parks. Under the new Chinese Administration the number of recreation centres is being increased

carry out a constructive and progressive program; but his powers are nominal rather than actual, because all major matters must be submitted to the decision of General Hsiung, the Director General.

With this recital of the failures, let us turn to the successes of the year. Some things were done very well. Last Summer one of the foreign Consuls summed up the situation in the words, "There are three bright spots in Tsingtao, the police, the roads and the forests."

On the whole the policing of the port has been efficient. When the Chinese took over the city, 1,500 bandits, for some unexplained reason, were terrorizing Tsingtao. At one time the situation was so threatening that the United States sent a cruiser and the British Government a gunboat to the port to protect the lives and property of American and British citizens. The Chinese soldiers outside the city and the police inside, however, soon gained control of the situation, and since that time they have protected life and property as efficiently as did their predecessors, the Japanese. It should be pointed out, however, that the



C. T. WANG

A Chinese graduate of Yale, who has served as Assistant Minister of Commerce and Industry and Deputy Speaker of the Senate in China, Chinese Delegate to the Versailles Peace Conference and head of the commission to settle the details of the transfer of Shantung and Director of the Rehabilitation of Shantung Rights



GENERAL CHENG

Commander-in-Chief of the troops guarding Tsingtao and the Shantung Railway

Japanese have their own consular police and eight police stations, or so-called police boxes, which, in spite of many objections and disadvantages, have on the whole contributed to the maintenance of order, especially among the thousands of Japanese residing in the port. In one respect the Chinese police fail to meet Western requirements, namely, in the regulation of modern traffic. As yet the Chinese policeman does not know how to handle automobiles. This deficiency in policing results in the fleeing of the ricksha-pullers and the street hawkers to the sidewalks for safety. To this use of the sidewalks the foreign and Japanese pedestrians naturally object most vigorously. But this defect should not obscure the fact that Tsingtao is policed comparatively well.

More unqualifiedly satisfactory and successful is the service rendered by the Department of Public Works, which has charge of the roads and streets both of the



The main street of Tsingtao being repaired by the Chinese Administration

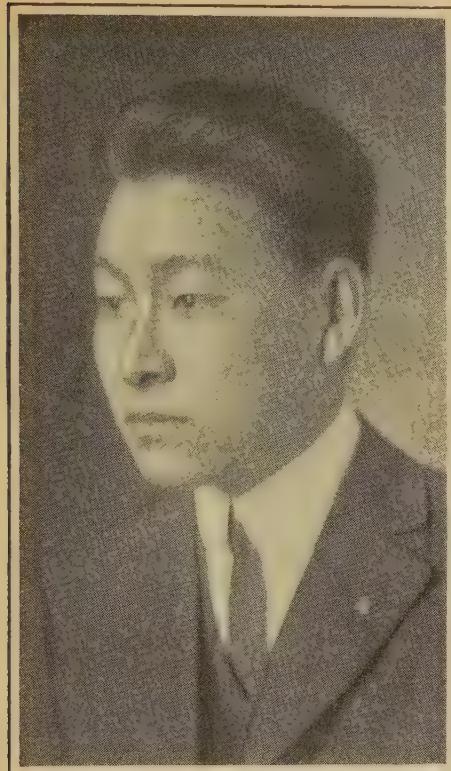
city and of the old leased territory. The head of this department is E. L. Tang, a graduate of Purdue University, and until

A third bright spot is the Bureau of Agriculture and Forestry. D. Y. Linn, in charge of the bureau, is a graduate of the

recently a member of the staff of Shantung Christian University. As head of the Shantung Provincial Bureau of Roads Mr. Tang gained the experience necessary to manage the 956 miles of streets and roads in the 193 square miles of the old Kiaochow lease. Although the Japanese let the highways deteriorate as soon as they saw their days numbered, Mr. Tang has put most of the streets and roads back into good repair. In fact, the road to Iltis Huk, the foreign Summer colony, is now in better condition than it ever was either under the Germans or the Japanese.



A specimen of the roads outside the City of Tsingtao under the new Chinese Administration of Shantung



E. L. TANG

A Chinese graduate of Purdue University, Indiana, in engineering; now in charge of the 956 miles of roads and streets in the former leased territory of Shantung

Massachusetts College of Agriculture and a Master of Forestry of the Yale School of Forestry. Several Government positions, a professorship in forestry, the control of the Shantung Bureau of Forestry and other tasks fitted him to take charge of the 240,000 Chinese mou (80,000 English acres) of officially controlled forests within the returned area. Mr. Linn has put vim and vigor into the work of this department. In the Spring of 1923 the bureau distributed gratis 107,000 transplanted seedlings for private planting to ninety-three Chinese villages, planted 500 mou of forests, put out along streets and roads 6,220 shade trees, transplanted 1,135,000 seedlings, and destroyed 1,000,000 cocoons and 10,000,000 larvae of insects injurious to trees. In addition to this forestry work, Mr. Linn and his agricultural staff at the Litsun Experiment Station experimented with peanuts, American tobacco and American

cotton in order to find for Eastern Shantung the best farm crops. Other experiments in animal husbandry aimed at giving the Shantung peasants improved breeds of poultry, hogs, sheep and cattle.

Although not subject to the Director General of Tsingtao and lying mostly outside the old German area, any survey of what the Chinese did in 1923 with their restored rights in Shantung should mention the work of the Shantung Railway, now called the Kiaochow-Tsinan Railway. The task was begun under great difficulties. The Japanese had trained neither a Chinese operating nor a Chinese administrative staff, with the result that, when China took over the railway she was obliged to find more than a thousand men to take the places of the Japanese. Then there were structural difficulties. While the Germans had built a road intended for light rolling



D. Y. LINN

A Chinese graduate of the Massachusetts College of Agriculture and the Yale School of Forestry; now head of the Shantung Bureau of Agriculture

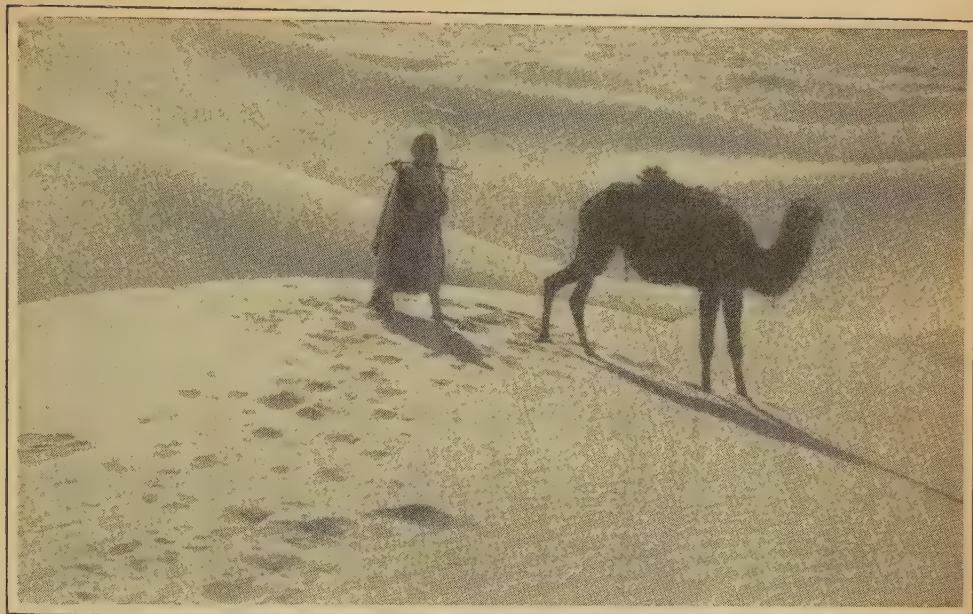
stock, the Japanese had purchased and operated twenty heavy American engines, with the result that soon after the transfer two of these heavy locomotives broke through the Yun River bridge. As a result of a thorough inspection, American, German, Japanese and Chinese engineers unanimously recommended that either the American engines be removed or the bridges be strengthened. After reducing the speed of the trains to secure safety, without giving up the American locomotives, the management decided to rebuild the bridges within three years, at a cost of 3,000,000 Mexican dollars, and to replace the light German rails with heavy ones.

In view of these handicaps and the fact that the profits of the road for 1923 were more than sufficient to pay the interest on the money due the Japanese, as well as the fact that the business of the line increased 15 per cent. during the year, one is justified in considering the first year of Chinese control a fairly successful one. This record, however, is largely due to the forty and more American-trained Chinese on the railway staff. They have attacked the problems of the road with vigor and courage. The Vice Managing Director is C. T. Chu, Bachelor of Arts and Master of Business Administration of Harvard University. While the returned students have been crowded out, as far as possible, from

the City Government of Tsingtao, they practically control the policy of the Shantung Railway. Unfortunately, the profits of the line sorely tempt the military men. During the Summer of 1923 the Peking militarists tried to mortgage the surplus profits, amounting to 800,000 Mexican dollars, deposited in the banks, as security for a loan, but a timely exposure by the younger men of the railway staff stayed the greedy hands. The railway's best protection is the debt China owes Japan for returning it. According to the final agreement Japan is to receive as compensation the sum of 40,000,000 gold yen and interest at 6 per cent. until the sum is paid. If the militarists should so impoverish the railway that the capital or the interest could not be paid, they might make it possible for Japan to retain the enterprise—a possibility that would make the Peking war lords hesitate.

We see, then, that since the Japanese returned Shantung to China some of the hopes have been realized and that some fears have been justified. The first year has shown what men like C. T. Wang, D. Y. Linn, E. L. Tang and C. T. Chu can accomplish, but it has also clearly proved that the militarists are the curse of the restored rights in Shantung, as they are of China as a whole.





The sands of the Sahara Desert

FRANCE'S NEW LINK OF EMPIRE IN AFRICA

By MATTHEW CRAIG

An American writer on African history and archaeology, now resident in Algeria

The route of the railway across the Sahara Desert at last settled—France's communications with the natural resources and man power of her African empire made closer—Vast potential wealth of the desert also opened up

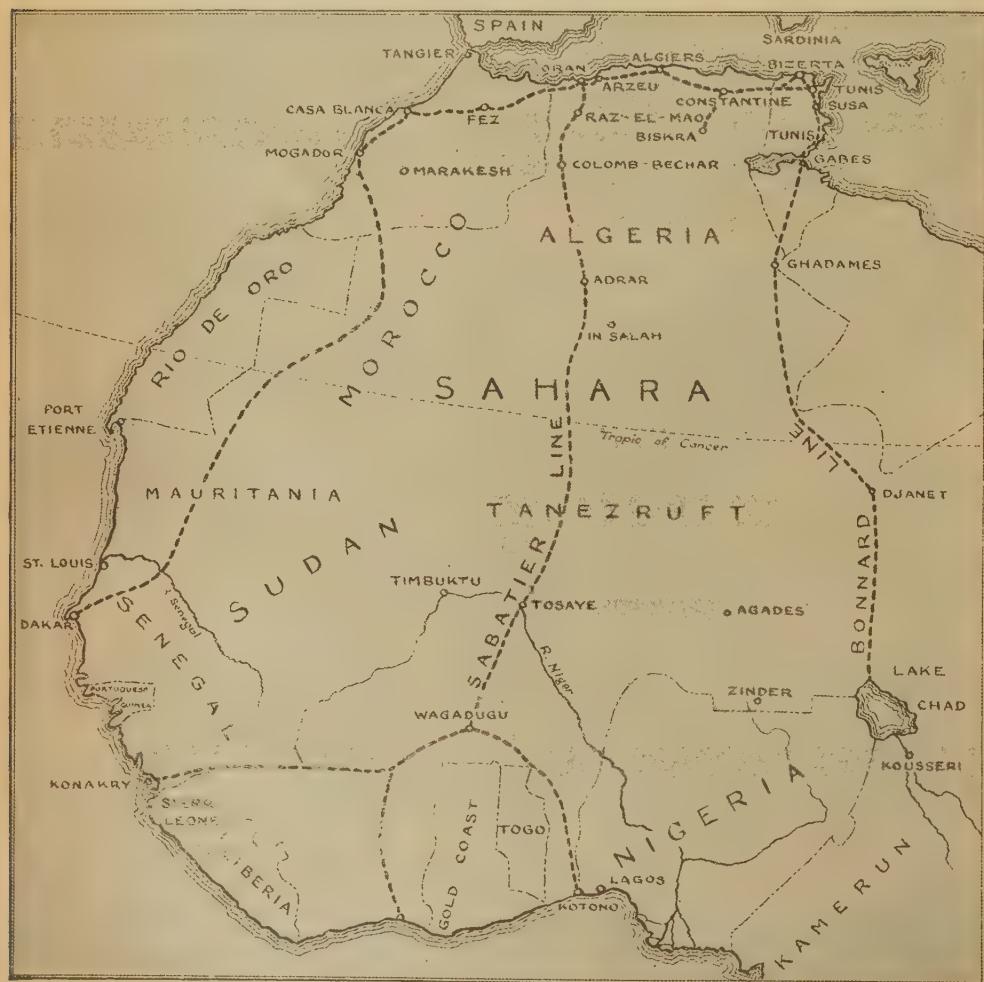
THE official adoption by the French Ministry of Colonies of the Sabatier plan for a Trans-Saharan railway closes the heated controversy which has preoccupied France for the greater part of a year.

The conquest of the Great Desert, which stretches a seemingly insuperable barrier between her Mediterranean and Central African possessions, is far and away France's most pressing and vital problem. Upon its solution, the French feel, depends not only the complete development of France's North African provinces and the eventual reduction of her national imports, but her national existence in the event of a future European aggression. In all the wide divergence and even contradiction of views brought out by the parliamentary and press discussion over a Trans-Saharan railway route, upon one point there was unanimity: its necessity for the national defense. The commission appointed by the Superior Council for National Defense,

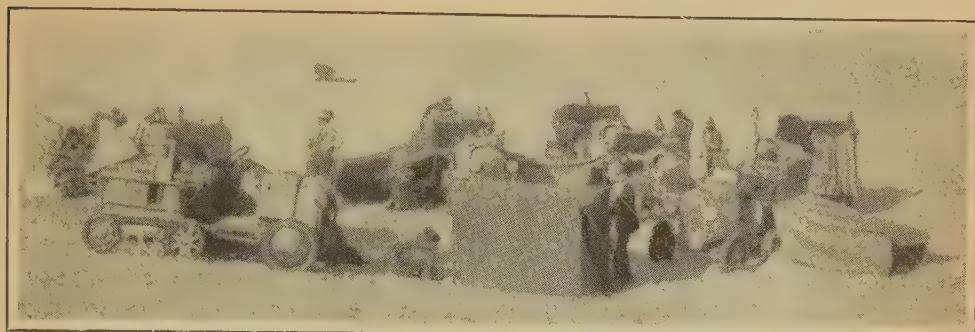
which studied this aspect of the question at the beginning of 1923, was unanimously affirmative on this point. France, in default of guaranteed security on the Rhine-land border, turns hopefully to her potential colonial army.

The controversial whirlwind over the route of a cross-desert railway will be understood when it is remembered that such an enterprise equals in importance and romantic interest the digging of the Suez and Panama Canals, the reclaiming of the Great American Desert or the linking of the Atlantic and Pacific coasts by the Union Pacific. It would seem even to surpass them, for meteorologists assure us

that the reclaiming of the Sahara would change the climate of Southern Europe from that of a Riviera to that of a Cape Cod; ethnologists declare that, with the breaking down of the sand barrier which has locked the Dark Continent since the dawn of our history, we shall begin a period where the racial balance will steadily shift, to the ultimate emergence of the darker and physically more vigorous races. And finally, it seems plain that the development of the boundless resources of the African continent, which awaits only the white man's touch, is destined to shift the commercial centres of the world. Cotton, of which France is so deeply in need, wool,



Map showing the three proposed routes for a railway across the Sahara, namely, from Tunis to Lake Chad, from Oran to Wagadugu (with branch lines to the coast), and from Mogador to Dakar. The route finally selected by the French Ministry of the Colonies is that to Wagadugu.



Wide World Photos

French tractors in camp on the fringe of the Sahara Desert before crossing the ocean of sand during the exploration trip made in 1922 under the direction of the French Minister of the Colonies

hides; rice, wheat, and corn; ivory, rubber, camphor, olives and tobacco, merely to skim the list, are to be cheaply obtained, while various vegetable oils and alcohol can be produced amply to supply fuel for the proposed railway. These facts explain the acute rivalry between Morocco, Algeria and Tunisia for possession of the route. During the last three years each of these States has tried by every means known to modern science—airplanes, automobile tractors and railways—to outdistance the others in its penetration of the South and thus solve the redoubtable problem of the desert—a problem which, involving an area of 2,000 kilometers in depth and 4,000 kilometers in width, is as large as Europe.

CONFLICTING CLAIMS

Morocco's claims—though her proposed line running southwest through Mauretania to Dakar in Senegal, met the need for rapid communication with France, via Casablanca—were set aside, because of the inevitable competition of the cheaper sea route and the line's proximity to the Spanish territory of Rio de Oro and the Atlantic Ocean, both elements of danger in time of war. An air route is already functioning between Toulouse and Casablanca, making the flight in twelve hours. From Casablanca an air route between Morocco and Senegal is already projected, the route including Agadir, Port Etienne, St. Louis de Senegal and Dakar, with stations every 200 kilometers provided with autotrac tors to insure service in case of accident. By this route the flight from Paris to Dakar

would be made in three days. Later, it is hoped, hydroplanes will extend the route to Pernambuco by way of the island of Sao Paulo, a distance of 3,000 kilometers. Thus, as the commission pointed out, a Morocco-Sahara line is destined to become a French South-Atlantic line and Morocco's future interests, being with South America, remain littoral rather than continental.

The paramount question for Algeria is the French Sudan, for access to which she had worked tenaciously for twenty years, with the fertile valley of the Niger between Timbuctoo and Tosaye as a terminus. Algeria, midway between France and Nigeria, wants a share of the business originating in French West Africa, which is already considerable. Apart from the supplies for the black army there remains the immense future cotton output of the Niger Valley, plans for the immediate realization of which are among the most striking phases of the complex scheme for colonial development now being pushed by the Ministry of Colonies; also involved are the possibilities of a meat packing industry, of essential products from the equatorial forests of Haute Volta, vegetable oils and ivory in considerable quantities.

To such a route through Algeria, Tunisia objects on the ground that it would benefit Senegal and the Sudan alone, whereas the bulk of France's Central African possessions, including the fertile steppes of Zinder, Wady and Lake Chad, constituting two-thirds of France's African



One of the streets and the market place of Gao, a town in the Sahara, which will be brought into closer touch with the outside world by the railway which the French intend to build.

empire, would be cut off from the metropolis with no direct Mediterranean outlet across the Sahara. The Tunis line would pick up the railway which already exists from Tunis to Gabès and continue it by airplane, motor-tractor or rail to Ghadames, Djaret, Lake Chad and, ultimately, to the French and Belgian Congo. This is the shortest route from Central Africa to the Mediterranean, that of the ancient civilizations and the one followed by the slave caravans for centuries past and abandoned only since the advent of the European nations. The pivot of the German African policy was the near-by Tripoli-Chad railway—the famous “Tripoli-Bahn”—the imperial line destined to connect with what was then German East Africa. A South Tunisian Trans-Saharan line toward Lake Chad and the Congo would eventually become a Trans-African railway to the Cape, more direct, convenient and rapid than the English Trans-African Oriental between Cairo and East Africa.

Meantime, apart from the Trans-Saharan question, an airplane service is already in operation between Tunis and Ghadames, at the southern extremity of Tunisia, and

the question of prolonging it by way of Lake Chad to the Congo and East Africa is being seriously studied. What modifications the Dixmude disaster may cause in the projected air line across the desert it is too early to say. Should, however, such a Trans-African air line be established, Brussels would be three days' journey from Stanleyville, London five days from Kimberley and Paris six days from Tananarivo (Madagascar), via the Belgian Congo and Zambezi.

THE PROJECTED RAILWAY

Such in outline are the three principal routes which have caused so much contention for a year and which are now settled by decree of the Superior Council, which has pronounced for the Sabatier line. This line runs from Arzeu and Oran south through Colomb-Bechar to Tosaye on the Niger, and continues to Wagadagu, the capital of Haute Volta, at the center of the “Loop” of the Niger. It is much the shortest of all the projected routes and was drawn by Camille Sabatier, who claims to have solved all the engineering difficulties presented in its course. With the adoption of engines burning vegetable oil,

obtained from native sources, it is believed that the construction and operation of this line will be easier and cheaper than similar railways in Europe and America. The estimated cost of the line is 300,000 francs per kilometer. Of this route, 112 miles, traversing the most difficult part across the Atlas range from Oran to Raz-el-Mao, are already built. There are 3,349 kilometers to be built between Raz-el-Mao and Wagadagu, the cost of which with interest will amount in all to between 1,400,000,000 and 1,700,000,000 francs. The expense will be shared by France, Algeria and the French Occidental African Company. The route will be seven days shorter than the sea route (Toulouse-Dakar), and somewhat cheaper, the ticket overland from Paris to Wagadagu costing 2,979 francs, whereas by sea it is 3,166 francs.

The choice of Wagadagu for the terminus would seem to be especially fortunate as a point of concentration for the several French Central African colonies. The "Loop" of the Niger is a densely populated territory of 600,000 square kilometers, very similar in soil and climate to the fertile Nile valley. It is this territory that the Government proposes to irrigate and devote to the growth of cotton

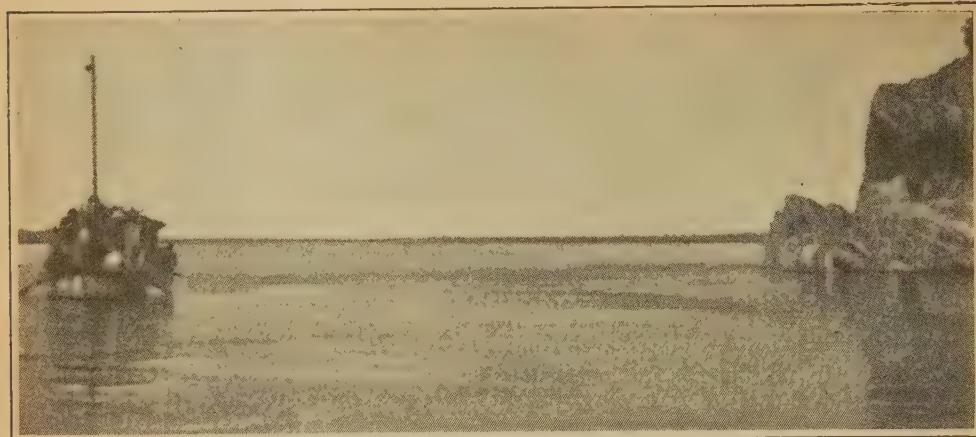
on a vast scale, as well as of vegetable oils required for the oil engines of the projected railway. Already in Central Africa a small Diesel type motor, burning the coarser palm and peanut oils, is being used with admirable results; and its adaptability to the needs of the new railway is being studied. The vegetable oil it consumes can be produced in practically unlimited quantities, furnishing economical tractive power in place of steam.

THE SAHARA'S HIDDEN WEALTH

In addition to providing an avenue of access to the natural resources and manpower of French Central Africa, the construction of the Trans-Saharan railway will make possible an intensive exploration of the hidden resources of the Great Desert. Until recently the Sahara has been viewed not as a territory to be explored and developed but as an obstacle to be overcome. Today engineers are awakening to the mining possibilities of the desert itself, where deposits of many metals, of coal and oil have been found, in addition to the large phosphate beds now under exploitation. Like the Great American Desert practically the entire Sahara is underlain with a great subterranean body of water, and an abundant supply of



A native barge on the River Niger. The projected French railway is to cross the river at Tosaye



The entrance to the Tosaye Gorge on the River Niger. Near here the projected French railway will cross the river

water is obtained wherever artesian wells are sunk. This fact alone has already radically changed the aspect, in places, of the caravan routes. Where once there was only sand, extending like a vast and boundless ocean to the horizon, brilliant spots of verdure, small gardens of vegetables and fruit trees, and patches of grain are now to be seen. The desert tribes have been quick to follow the lead of the French garrisons and rare colonists, and more than one hundred wells have been bored throughout the region. Thus, to cite but one of many examples, Ben Gardane, which fifteen years ago was an arid halting place, is now the centre of an olive tract extending six kilometers where a population of 20,000 natives is definitely settled on the land which feeds them and their flocks.

There would seem to be no reason why the growing oases, spreading as they do a little further each year, should

not continue to extend indefinitely with the continued augmentation in the number of wells, and thus, in time, modify the entire character of the country; convert the nomad tribes into a settled population—for the nomad, ever forced to seek the water he must have or perish, is nomad not from choice but from necessity—and ultimately cause the desert itself “to blossom as the rose.” And this change in the climate of the desert, entailing, as previously mentioned, serious changes in the climate of Europe, may have the most profound influence on the future of humanity. Certainly, when one considers the effect on history of the change of the Egyptian climate, or the increased aridity of China, it is not too much to believe that the reduction of the temperature of the European Mediterranean littoral from its present mean average to that of our New England States is fraught with the greatest significance for the future of humanity.



THE UNITED STATES' BAN ON LATIN-AMERICAN REBELS

By GEORGE WHEELER HINMAN JR.

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Sale of arms to Obregon a fundamental change in foreign policy—Administration now committed to support of established Governments

FTER more than a century of carefully preserved neutrality with reference to the numerous struggles which have marked the development of democratic government in Latin America, the United States has departed from precedent and embarked upon a new policy. This policy is that the United States stands squarely behind the established Governments of the New World and is ready actively to assist them in maintaining their authority. Those New World Governments which make a zealous effort to meet their obligations at home and abroad need but to appeal to the Administration at Washington in time of stress and aid will be furnished them in restoring their authority. If necessary, the United States stands ready to furnish munitions of war, to suppress rebellion and discourage violence and to support established law and order.

The new American policy was proclaimed by the decision of President Coolidge and his advisers to sell Government arms and ammunition to the Obregon Government of Mexico on the most generous financial terms. This decision was followed shortly by a proclamation barring private shipments of arms to Adolfo de la Huerta and his followers, rebels against the authority of the Obregon forces. Still later, troops of the Obregon Government were allowed to pass through the territory of the United States in order to expedite their movement to points where their services were sorely required to meet the activities of the rebels. And, explaining all these positive and open moves, authorized

spokesmen for President Coolidge and Secretary of State Hughes made no secret of the fact that the Administration had sided with President Obregon.

Circumstances compelled the United States to act openly and energetically once the issue was forced by the Obregon request for military assistance. As the forces of rebellion swept through the Mexican Republic it became apparent that President Obregon was utterly unable, from a military standpoint, to cope with the situation. Without outside assistance the life of the Obregon Government was destined to be a short one, and it was only a question of time until the course of events would reach a climax in a coup d'état at Mexico City.

A critical shortage of ammunition was the crux of the difficulty. Excepting a few .30-.31 carbines, the Mexican Federal Army was equipped wholly with the 7-millimeter Mauser rifle and a carbine of the same calibre. It was practically impossible to obtain ammunition for these arms in any appreciable amounts from American sources. The rebels dominated the seas on both coasts. Mexico was without a factory capable of producing ammunition. The nearest thing to a plant was an establishment at Mexico City for reloading empty shells. The empty shells had to be gathered on the battlefield and returned to Mexico City. Many had been reloaded so often that they were practically useless. Leakages in the brass made it quite likely that, when reloaded and fired, they would explode in the rifle barrel. The Obregon Government needed new levies to meet the

crisis of the rebellion. These could be raised among the workers and the agrarians, but there was no use in raising new levies when the equipment even of the regular establishment was hopelessly inadequate. The Obregon Government sought desperately to meet the need for munitions, but in vain. Not only was the prospective supply inadequate, but the financial aspects of the problem were far from encouraging.

So the appeal was made to the United States. Although the real need was for ammunition rather than for arms, the practical problem presented made it impossible to ignore the fact that the United States could not furnish ammunition to fit the Mexican rifle. Hence, President Obregon was compelled to ask for rifles which would fire the calibre .30 ammunition of the United States Army and Navy. This fact added greatly to the cost involved, but there was no escaping the inevitable. At the same time the Obregon Government sought to solve the problem created by rebel control of the sea coasts. The United States was asked if it could not furnish the Mexico City authorities with war vessels which would be able to dispose of the improvised de la Huerta navy on both coasts. Airplanes also were desired to assist in reconnaissance.

SECRET NEGOTIATIONS FOR ARMS

The greatest secrecy prevailed at the opening of these negotiations between President Obregon and the United States. The matter was taken up and discussed at some length by President Coolidge and his Cabinet advisers. There were frequent conferences between Secretary of State Hughes and agents of the Obregon Government. There was every reason for secrecy. The Mexican Government desired no undue publicity until the negotiations had been completed and the arms delivered. Revolutionary bands had already disrupted transportation facilities between the American border and Mexico City, and premature publication of the news that munitions would soon be en route from the United States was certain to stimulate the vigilance and activities of the rebels. From the viewpoint of the Administration in Washington, internal political considerations made

secrecy highly desirable. Without regard to the merits of the matter, it was a certainty that publication of the negotiations would precipitate embarrassing political discussions. At the time Congress was not in session. If a completed agreement became public property before Congress resumed its sittings much opposition would be neutralized.

Unfortunately for the plans of the negotiators, however, news of the negotiations reached the ears of de la Huerta agents, and gossip of the proposals and the favorable attitude of the United States became dangerously general. At the State Department every effort was made to prevent what was regarded as premature publication of the news. Officials even sought the delay of only a few days; but so rapidly did the news spread that it was impossible to prevent its general publication, and it became known that the United States was furnishing a limited quantity of war material to the Obregon Government. Spokesmen for the Administration in Washington explained that this action was being taken in the interest of stability and orderly procedure. Officials pointed out that it was highly important for Mexico to break away from a long series of unfortunate precedents and determine succession to the Presidency by peaceful and constitutional methods rather than by violence. Official effort also was made to fit the new policy in with declarations by the late President Harding to the effect that the United States would not permit the use of surplus arms in encouraging warfare by fostering militarism and developing armaments. The purpose of the contemplated sale, according to official Administration explanations, was to discourage warfare that had arisen in connection with the Mexican Presidential contest.

Having determined the question of policy, Secretary of State Hughes passed the details of the sale on to Secretary of War Weeks. The arms and ammunition and the airplanes were to be sold from surplus stocks of the United States Army under the act of Congress authorizing such sales. The matter of financial arrangements was to be settled between the Mexican authorities on the one hand and the War and Treasury Departments of the United States on the



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President Obregon and his staff inspecting preparations for battle at Irapuato, Mexico

other. As to the proposal to purchase war vessels, such sales by the United States Government were expressly forbidden under the Washington Treaty for the Limitation of Naval Armament. The following formal announcement by Mr. Weeks announced the consummation of the first concrete transaction in the furtherance of the new American policy:

This Government has sold to the Mexican Government 5,000 Enfield rifles, model of 1917, 5,000,000 rounds calibre .30 ammunition and 8 De Haviland 4 airplanes, the terms of the sale being one-half cash and one-half within thirty days. These articles do not cover the entire list requested originally, but the Mexican Government finds they will answer its present requirements.

THE ADMINISTRATION ATTACKED

The reaction in the United States was just what the Administration had feared. Senators and Representatives in Congress took the matter up immediately, and many were outspoken in their condemnation of the new policy. Senator Johnson of California, Republican and avowed rival of President Coolidge for the Presidential nomination, denounced the action of the Administration in an address delivered

immediately after the announcement of policy from Washington. He said:

The merits of the contest raging in Mexico I do not know, and they are immaterial in this discussion. But whatever the merits of the revolt, I have no hesitation in saying our action is immoral, if not illegal. What an anomalous and paradoxical position is ours today, we who were born in revolution.

The United States Government finally says to the people inhabiting this continent: If you dare fight for what you deem to be right, if you raise your hand against oppression and wrong, the most powerful nation of the world will come to the aid of those you think your oppressors and will maintain existing power.

Senator Johnson did not stand alone. Many members of Congress and a considerable number of private citizens throughout the country found much to censure in the action of the Government. Particular attention was paid to that phase of the new policy which affected the "right of revolution." The United States, it was charged, "takes a position in advance against any and all revolutions, no matter what the merits." It was pointed out that, had such a world rule obtained during the American Revolution, "the United States would still be a dependency of Great Britain." The Administration declaration that the United

States in selling arms to the Obregón forces was supporting "constitutional procedure" also received attention from those who censured the new policy. The very heart of the de la Huerta revolutionary cause, it was emphasized, was the charge that the Presidential election would be a farce. Those familiar with "elections" in certain portions of Latin America supported Señor de la Huerta's argument by relating developments in connection with past "contests," particularly some that had been held during the régime of Porfirio Diaz in Mexico. Anybody familiar with Latin-American political contests knows that "constitutional procedure" is at times only nominal.

Military experts were critical of the Hughes policy because of what it might mean to the United States Army and Navy. In the first place, it was emphasized, there was no guarantee that the body of troops armed with American rifles would not go over to the rebels. Mexican troops are notoriously unstable. Even the assurance that only the most trusted veterans in the Federal army would be given the new arms was not regarded as any guarantee for the future. Military veterans pointed to the case of Aguinaldo in the Philippines twenty-five years ago, when, at the order of Commodore Dewey, the United States Army turned over arms and ammunition to Aguinaldo and his followers to aid in the fight against the Spaniards. Army officers at the time opposed the transfer. Within a few months those same arms were being used against American troops.

So bitter became some of the political opposition to the Administration policy that a resolution was introduced into Congress for the purpose of forbidding the sale of war materials by the United States to foreign Governments. There was some discussion of the matter both in the House and the Senate; but the resolution, which had been presented in the House and referred to the Committee on Foreign Affairs, was finally buried. Meanwhile, there were new developments daily in the relations between the United States and the rival Mexican factions. The de la Huerta faction immediately moved to test how far the American Government would go in siding with President Obregón. Rebel

agents entered into negotiations for the purchase of war materials from American private interests. The question was brought to a head at New Orleans, where an agent of the Federal Department of Justice was called upon to make a definite ruling. He asked for instructions, as the situation had been confused by the announcement from the State Department that, though the United States opposed sales to the rebels, there was no legal obstacle to their consummation. The pressure of the situation finally brought the following declaration of policy from the State Department:

Although there is no embargo on the shipment of war materials to Mexico, such shipments are being discouraged. The State Department does not look upon them with favor, and they are against this Government's policy. Moreover, private concerns making such shipments do so entirely at their own risk.

COOLIDGE FORBIDS ARMS TO HUERTA

These halfway measures, however, failed to meet the exigencies of the situation; and President Coolidge finally was compelled to proclaim, on Jan. 7, 1924, an embargo against arms shipments to Mexico, with a significant exception, as follows:

And I do hereby prescribe as an exception and limitation to the foregoing restrictions such exportations of arms or munitions of war as are approved by the Government of the United States for shipment to the Government of Mexico which has been recognized by the Government of the United States, and such arms and munitions for industrial or commercial uses as may from time to time be exported with the consent of the Secretary of State.

The general embargo was proclaimed in accordance with the act of Congress, approved Jan. 31, 1922, authorizing the President to prevent arms shipments to any New World nation or to "any country in which the United States exercises extra-territorial jurisdiction."

Thus did the United States join actively and effectively with President Obregón in his campaign to suppress the de la Huerta rebellion. The rebels, however, moved immediately to protect their own interests as best they might. The precarious condition of the railroads between the American border and Mexico City made it likely that

the arms purchased from the United States would be shipped by sea to Tampico. The rebels moved gunboats to Tampico. They sought not merely to intercept the arms shipments, but also to maintain a general blockade. This move complicated the problem presented to the American Government. Although the United States had definitely sided with the Obregon forces, the rebels continued to profess friendship for the American authorities as well as anxiety to avoid disputes. At the same time it was hardly to be expected that a group proclaimed enemies of "constitutional procedure" would go out of its way to perform favors for a foreign Government which thus had stigmatized it.

The United States resented the blockade as unwarranted interference with legitimate American commerce, and informed the de la Huerta rebels accordingly. The cruiser Tacoma was ordered to Vera Cruz, rebel headquarters, "to establish communication," and, when the ship ran on a reef off the harbor, several additional war vessels were ordered to the scene. One step led inevitably to another, and the United States became more and more deeply involved in the Mexican struggle. Finally,

on Jan. 21, the State Department issued the following official summary of developments:

A decree issued at Vera Cruz and signed by Adolfo de la Huerta announced that a blockade of the Port of Tampico would be established on Jan. 16. The department on Jan. 16 instructed the American Consul at Vera Cruz to protest vigorously against this interference with commerce and to express this Government's expectation that immediate steps would be taken by those responsible for the proposed blockade to remove this threat.

Subsequently, on learning that the order for the attempted blockade had not been withdrawn, this Government ordered the United States cruiser Richmond to proceed to Tampico to protect adequately the peaceful and legitimate United States commerce going in and out of that port from interference under any assertions of blockade.

The American Consul at Vera Cruz reported to the department on Jan. 19 that following the presentation of this Government's protest the proposed blockade was postponed until the end of this month.

On Jan. 17 the American Consul at Vera Cruz informed the department that he had been notified by Mr. de la Huerta that the ports of Frontera, Puerto Mexico and Vera Cruz were to be mined. The Consul was immediately instructed to say to Mr. de la



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Some of the 2,000 Yaqui Indian troops who traveled through United States territory from Nogales to El Paso to serve under President Obregon against the rebels. The soldiers were accompanied by their families and household goods

Huerta that this Government not only on its own behalf but on behalf of humanity most vigorously protests against this proposed measure as being an unwarranted threat against the commerce of the world and as involving grave danger to the lives of peaceful citizens of all nationalities.

He was also told to inform Mr. de la Huerta that, if the proposed measure is carried out, or, in the event that it has already been partially or wholly carried out, if the mines and other such obstructions to navigation are not immediately removed from the ports in reference, this Government will be constrained to adopt appropriate measures to protect its commerce and its nationals from the grave and imminent danger involved.

Other developments have followed one another in rapid succession since the United States took an active part in the Mexican struggle. The matter of permanent interest, however, is the new policy of extending actual support to New World Governments that they may maintain themselves against revolutionary groups. A study of official records fails to reveal any precedent for the action taken by President Coolidge and Secretary of State Hughes in going to the aid of the Obregon Government with arms, munitions and diplomacy. Never in the past has the American Government sold war materials to aid a New World Administration in maintaining its authority. The nearest approaches to a precedent were in 1910, when the United States Government sold arms to the States of Maryland and Georgia. These sales were made for express purposes to meet urgent needs. In Georgia, for example, labor troubles threatened the authority of the State Government, and the arms were required to equip the National Guard. Since the World War surplus war materials have been sold to various Governments both in the Old World and the New, but not under the urge of rebellion.

Nor does a review of history reveal any case in which the United States Government has taken an active part on one side or the other in the domestic political troubles of a New World republic. Until support was accorded President Obregon the United States had sought with every care to avoid an appearance of partisanship. Inevitably, of course, American sympathies and at times a tacit endorsement

had been given in the past, but nothing more. Frequently recognition had been withheld after a certain group won power, but there was no active effort to bring about its overthrow.

Perhaps the case of the Dominican Republic furnishes the most recent concrete example of how far the United States Government would go in matters of this sort. Prior to the landing of American marines at Santo Domingo City, the United States had made certain demands on the native authorities, who were facing revolutionary troubles. These demands were not accepted. Had they been, it was quite likely that the moral influence of the United States would have been adequate to quiet the revolutionary leaders. Upon the failure of the established Government to accept the American demands, however, the United States allowed the rebel cause to gain headway, and then American marines were landed to maintain order and protect the lives and property of foreigners.

The Dominican incident, however, had no such significance as that possessed by the decision to support President Obregon. This new policy opens a wide field for the future. The United States undertakes to judge the merits of internal political difficulties in the republics of the New World. It passes upon the merits of a particular controversy and reserves the right to give active and effective assistance to the chosen group. There is even the prospect that opposing factions may bid competitively for the favor of the dominant power in the New World.

DANGERS OF THE COOLIDGE POLICY

The new policy, it is true, carries with it inevitably the peril that it may arouse considerable resentment in Latin America. The Obregon Government, for example, is patently fearful lest, by receiving open assistance from the United States, it antagonize the people of Mexico. It is significant that the Huerta rebels are using the fact of American partisanship in making pleas to the patriotism of the Mexicans. Is the great Republic of the North to be allowed to crush by its arms and munitions the just desires of the Mexican people? The question is a difficult one for the Obregon



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The chief of the Yaqui Indians serving under President Obregon in the fighting against the rebels headed by Adolfo de la Huerta

chieftains to answer, no matter what the merits of the issues.

Accordingly, it behooves the United States to move with the greatest discretion. Every effort must be made to avoid the appearance of interfering in the internal affairs of neighboring New World republics. Care must be taken lest the people of republics not directly concerned get the impression that the all-powerful American Government is lending arms and munitions for the maintenance by force of an unwelcome rule. The situation is one that lends itself conveniently to meet the needs of the anti-Washington propagandist in Latin America.

There are other difficulties. Suppose, for example, that in the present Mexican struggle Señor de la Huerta and his fol-

lowers are victorious despite the material aid given the Obregon forces by the United States. To save its face, the Washington Government can hardly grant diplomatic recognition to the new *de facto* authority. Yet, the authority may be there in Mexico City, and may exercise its powers wisely and well.

There would also be the matter of the obligations incurred by the Obregon forces in their purchases of munitions from the United States. Could a victorious de la Huerta group be expected to recognize these obligations as the just debt of the Mexican Government? Present difficulties with the Soviet Government in Russia, owing to the activities of the United States and the Allies in supporting counter-revolutionary leaders, furnish a case in point.

Mr. Hughes presented a strong defense of his Mexican policy in his address before the Council on Foreign Relations in New York on Jan. 23. He reviewed recent developments in Mexico, and pointed out that the United States had declined to become a party to the Convention of St. Germain relating to traffic in arms, because such action would have hampered American freedom of decision in "selling arms to our neighboring republics not parties to the convention, however necessary that course might be to the maintenance of stability and peace in this hemisphere." Concluding his presentation, Mr. Hughes said:

As the question is obviously one of expediency, each case rests on its own facts. So far as precedents are concerned, we have followed rather than departed from them. In standing for constitutional procedure and frowning upon attempts to conduct political campaigns by force of arms we create no precedent that embarrasses us. Many of our people are solicitous with respect to the contribution of the United States to the cause of peace. That duty and privilege begin at home.

In aiding stability in this hemisphere, in throwing our influence in an entirely correct manner in favor of the development of constitutional government and against unwarrantable uprisings, in protecting the legitimate freedom of commerce, we are making the greatest contribution directly within our power, and in accord with our established traditions and manifest interest, to the cause of world peace. This hemisphere should be the exemplar of peace, and we look with confidence to the creation of a unity of sen-

timent of the American republics against resort to the brutal arbitrament of force in political controversies. To this end the United States gladly gives its cooperation.

LATIN-AMERICAN FEARS

On the other hand, *El Diario* of Costa Rica, in a recent article maintains that "at least half" of the Latin-American Governments with which the United States is on friendly terms won national control by revolution, treachery or fraud. *El Diario* observes:

In Peru the Leguia Administration established itself by a coup de main. The same observation applies to Bolivia, where amid general indignation the Saavedra régime overthrew the Gutierrez Administration. Not to mention the contemptible tyranny in Venezuela, where fraudulent re-elections and crime are considered commonplace, we have the pseudo-Governments of Nicaragua and El Salvador, which were elected by fraud and pressure, and those of Honduras and Guatemala, which were founded by the sword.

If we add to those widely known cases the Provisional Government of Santo Domingo, which was imposed by the State Department against the will of the Dominican people, and the Obregon Administration of Mexico, which came into being through revolution and assassination, we have a grand total of nine Latin-American countries all suffering the evils of enthroned minorities raised up in spite of the nation's wish.

In the name of what justice or civilization will the United States interfere when such subjugated peoples seek to overthrow their tyrants? Has the passing of the years so

dimmed the memories of 1776 in the minds of the American people as to deny to others what they themselves won at the cost of much blood and suffering?

And *El Nuevo Tiempo* of Colombia, remarking that "there is nothing more disagreeable than a stepfather," says further, in a recent issue, that American "intervention in our internal struggles and protection against European aggression might be regarded in the light of paternal generosity, but history is there to remind us that such altruistic manifestations have served only to humiliate us and deprive us of our legitimate patrimony."

Justification can be found for the new American policy in that it is designed to promote stability and constitutional Government in the new world. The difficulty is not in the theory, but in the practice.

That the United States by this policy arrogates to itself the discretion to determine which group in a given controversy is promoting that stability and constitutional Government cannot be denied. That the United States has no selfish interest to serve and thus will seek with diligence and honor to arrive at a just estimate of a given situation can be argued by any loyal American. That the United States, being but a human agency, is far from infallible cannot be disputed.

The theory of the new policy undoubtedly is sound. Its development in practice will be watched with the greatest interest not only by the New World, but also by the Old.



THE CASE FOR AMERICAN AID TO OBREGON

By ELEANOR WYLLYS ALLEN

A graduate of Radcliffe College, where she received the degree of Ph. D., the writer of this article has devoted most of her academic career and the years since to special study and research in international law, for that purpose also working at the Yale University Law School and the University of Brussels and as a fellow of the Carnegie Endowment for Permanent Peace and of the Commission for Relief in Belgium Educational Foundation. Miss Allen is now engaged in research work at Harvard

President Coolidge's Mexican policy in accord with precedents laid down by predecessors—Sale of arms to Obregon not violative of international law—No obligation to recognize de la Huerta—President Wilson's support of Carranza

THE revolution in Mexico, led by Adolfo de la Huerta, has again raised in the public mind the question of the relations of the United States with its southern neighbor. The *de jure* recognition, in September of last year, of the Obregon régime by the United States laid to rest for a time all fundamental questions of policy, but with the outbreak of the recent revolt, the issue of this country's attitude toward the warring factions was raised, bringing in its train the necessity for a decision on the sale of arms to the duly recognized Government, and an embargo on the shipment of arms to the Huertistas. The Coolidge Administration sold surplus army stores to Obregon, forbade the shipment of privately owned munitions to the revolutionists, and in other ways aided the cause of the recognized Government, to the great detriment of its adversary. As a result, the policy and acts of the Administration in Mexican affairs have been severely attacked at home as violations of domestic and international law, when, as a matter of fact, both law and the precedents of our own foreign policy have been the basis for such action.

When, as a result of revolution or some other cause, the fundamental organization of a State is so altered that its external relations are controlled by a new or different authority, this change of government,

otherwise of purely local concern, becomes a matter of interest to foreign States. The new Government assumes the powers of the old, subject, however, to recognition by other States regarding the exercise of those powers in certain respects. As recognition indicates willingness to enter into official relations with the new Government, the State granting recognition enjoys a certain discretion in the matter, based upon the probability of the new Government's stability and its integrity in the observance of its international undertakings. There is no legal duty to grant recognition, and the influence which may thus be exerted upon the outcome of a domestic crisis is not considered such as to constitute positive intervention. It is a matter within the competence of every State to decide whether or not it will accord recognition, the time at which it may see fit to do so, and the terms upon which it is to be granted.

It is frequently said to be one of the traditional policies of the United States to grant recognition to revolutionary Governments. A difference should, however, be noted between revolutions "instinct with the aspirations of an oppressed people" and those which occur in a State already enjoying popular government and represent no change in political doctrine, but are carried on for the personal aggrandizement of individual leaders. Of the latter

Secretary of State Seward said in 1868: "The policy of the United States is settled upon the principle that revolutions in republican States ought not to be accepted until the people have adopted them by organic law." Recent revolutions in Mexico having been actuated by the personal motive, the recognition of the United States has not followed as a matter of course upon the assumption of effective control by one of the factions.

WILSON'S POLICY TOWARD MEXICO

In 1913 President Madero was forced to resign by a military revolt, headed by General Victoriano Huerta, who thereupon succeeded him as President. Shortly after this successful coup, Madero and the former Vice President were murdered. Huerta, being thus established, was recognized by most of the nations of America as well as Europe. The United States, however, persistently refused to take this step. President Wilson, on March 11, 1913, in speaking of cooperation with the countries of Central America, said:

Cooperation is possible only when supported at every turn by the orderly processes of just government, based upon law, not upon arbitrary or irregular force. * * * Disorder, personal intrigue and defiance of constitutional rights weaken and discredit government and injure none so much as the people who are unfortunate enough to have their common life and their common affairs so tainted and disturbed. We can have no sympathy with those who seek to seize the power of government to advance their own personal interests or ambition.

De facto recognition of Huerta's successor, Carranza, followed upon consultation and agreement with other American States. This recognition implied merely a choice between two contenders for the sovereignty of Mexico, without reference to their constitutional rights. It may be doubted, however, whether Carranza actually possessed the physical ascendancy over his rivals to have warranted this recognition, as on June 20, 1916, eight months after recognition, Secretary of State Lansing complained of the continued outrages on the lives and property of Americans not only in United States territory but in a section of Mexico which Carranza had long declared to be under his complete control.

Recognition under such conditions can be explained only on the ground that the United States "hoped and expected that that Government would speedily restore order and provide the Mexican people and others, who had given their energy and substance to the development of the great resources of the republic, opportunity to rebuild in peace and security their shattered fortunes."

It was not until nearly a year and a half had elapsed that the Carranza régime was recognized as the duly constituted Government of Mexico, when Ambassador Fletcher was sent to represent the United States at Mexico City, after Carranza had been elected President.

In May, 1920, Carranza was driven out by a well-organized uprising and was assassinated while fleeing from the capital. The victorious party formed a coalition and established Obregon in the Presidency. Great pressure was brought to bear upon the United States Government not to accord Obregon recognition without a previous written guarantee regarding the settlement of claims of United States citizens arising from the revolution of the previous ten years, and assurances in regard to the non-application to Americans of the anti-foreign clauses of the Constitution of 1917. It was claimed that the time to make the conditions was before, not after, recognition, and that these should be in writing. The example of the recognition of Carranza was held up as a warning, and President Harding, in his speech accepting the Republican nomination for the Presidency, July 22, 1920, said that there must be "a plain and neighborly understanding about respecting our border, about protecting the lives and possessions of American citizens * * * else there can be no recognition."

RECOGNITION OF OBREGON GOVERNMENT

In view of the conferences with Mexico, held from May 14 to Aug. 15, 1923, resulting in the solution of existing difficulties and an agreement to conclude two conventions for the settlement of outstanding claims, the State Department, on Aug. 31, 1923, announced its decision to renew diplomatic relations with Mexico. In dis-



Trenches across the fields near Guadalajara, Mexico, before the battle between President Obregon's troops and the rebels

cussing the Mexican question, Secretary of State Hughes on Jan. 23, 1924, said:

Under General Obregon's Administration there was a restoration of stability, commerce and industry began to regain confidence, there was a hopeful endeavor to put the finances of the country on a better footing; provision was made for the payment of the foreign debt. When it appeared that there was a disposition to discharge the obligations which are incident to membership in the family of nations, this Government was glad to recognize the existing Government of Mexico and to resume diplomatic relations.

The United States having accorded its recognition to the Obregon Government, and the latter being faced with a rebellious uprising, the present situation in Mexico is, technically, one of insurrection against the Government of a country at peace with the United States. Such a condition implies:

(1) That there is within the disturbed State a hostile armed uprising temporarily beyond the control of its civil authority.

(2) That this party is pursuing public ends by force, i. e., endeavoring to change the form of government, to reform the Administration, or to attain some similar object.

(3) That the conditions within the State are so disturbed as materially to affect outside States.

(4) That in the absence of control by the parent State, outside States must have some relations with the insurgents.

The admission of insurgency by a foreign State is a domestic act which can give no offense to the parent State, and is manifested by such domestic means as may seem expedient. This admission is made with the object of bringing to the knowledge of citizens, subjects and officers of the State such facts and conditions as may enable them to act properly, and is without international significance. It is the existence of the insurrection rather than its admission that changes the status of certain persons and may bring about new rights and duties. The status of insurgency is a question of fact, not of policy.

Although the acknowledgment of such a status, part way between peace and war, is a comparatively recent development in international law, it is well established in practice. Insurgents are no longer regarded as criminals, subject to execution under the penal law of the parent State, or as outlaws and pirates, liable to appre-

hension by other powers as the common enemies of mankind. It is now generally admitted that an insurrection entails the observance of the laws of war by the hostile factions, and, as regards third parties, "may entitle the insurgents to freedom of action in lines of hostile conflict which would not otherwise be accorded."

In spite of the fact that the insurgents are thus given a qualified military status, the situation is far from being that of war in the legal sense. There are no recognized belligerents. Hence there can be no neutrals. The international rules prescribing the obligations and duties of neutral Governments and peoples are entirely inapplicable to this situation. Instead of a legal obligation to observe strict impartiality and refrain from interference in the conflict, there exists the moral obligation to do nothing prejudicial to the interests of the friendly Government.

OBREGON'S REQUEST FOR ARMS

Shortly after the outbreak of the de le Huerta revolt, General Obregon requested the United States to sell his Government a comparatively small quantity of rifles and ammunition, and a few small vessels of war. The rifles and ammunition were furnished as requested; the sale of the naval vessels was refused, on the ground that to do so would violate the Treaty for the Limitation of Naval Armaments, signed at Washington in 1922. Article XVIII. of that treaty provides that "each of the contracting powers undertakes not to dispose by gift, sale or any mode of transfer of any vessel of war in such a manner that such vessel may become a vessel of war in the navy of any foreign power," and in a separate resolution that the signatory powers bound themselves not to sell any ships between the date of signature and the date of ratification of the treaty, until which time such sale would otherwise have been permissible.

These agreements, however, would preclude such sale only by the United States Government itself, whereas the vessels requested have been sold to private citizens. In the absence of any guarantee attending public sales to United States citizens, that they were not to be transferred to any foreign power, the sale by such persons to the Mexican Government would be

legally permissible. The private owners, however, have deferred to the desire of the State Department that not even the spirit of the convention be contravened, and no vessels have been delivered.

With regard to the request of Mexico for arms, however, the United States not being bound by any international engagement, the action of the State Department was dictated solely by considerations of policy. The general attitude of the Government was thus characterized by Secretary Hughes:

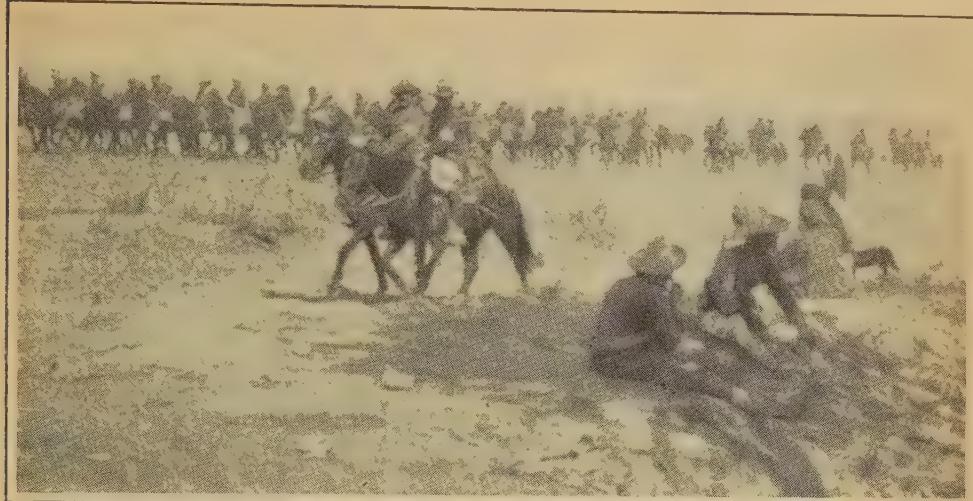
It is the policy of this Government to make available its friendly assistance to provide stability in those of our sister republics which are especially afflicted with disturbed conditions involving their own peace and that of their neighbors.

The specific reasons which actuated the sale to Obregon of rifles, ammunition, airplanes, parts and bombs were thus set forth by President Coolidge in his address before the National Republican Club of New York on Feb. 12:

When disorder arose there, President Obregon sought the purchase of a small amount of arms and munitions of our Government for the purpose of insuring his own domestic tranquillity. We had either to refuse or to comply. To refuse would have appeared to be equivalent to deciding that a friendly Government, which we had recognized, ought not to be permitted to protect itself. Stated in another way, it would mean that we had decided that it ought to be overthrown, and that the very agency which we had held out as able to protect the interests of our citizens within its borders ought not to be permitted to have the means to make such protection effective. My decision ran in a counter direction.

It has been suggested that compliance with Obregon's request in this matter constituted a reversal of the policy enunciated by President Harding in a letter written on April 23, 1923, to Secretary Weeks, in which he said:

I hope it will be the policy of the War Department not only to make no sales of war equipment to any foreign power, but that you will go further and make certain that public sales to our own citizens will be attended by proper guarantees that such supplies are not to be transferred to any foreign power, to make sure that none of our surplus equipment is employed in encouraging warfare anywhere in the world.



P. & A.

Mexican cavalry, part of President Obregon's army, advancing on Guadalajara, where the rebels were entrenched

Secretary Hughes, however, has explicitly stated that the recent sale to Obregon did not represent a departure from President Harding's policy in regard to the sale of arms, which he described as only part of a general policy as to limitation of armaments. This is further substantiated by the refusal of the United States under President Harding's Administration to become a party to the Convention of St. Germain, signed at Paris in 1919. This convention, while leaving the signatories free to supply each other with arms, prohibited such sales to non-signatory powers, and would have prevented the United States from selling arms to neighboring American republics.

The sale of arms to the Obregon Government is therefore not inconsistent with the enunciated views of previous Administrations. Moreover, it is supported by ample precedent. Several sales of large quantities of surplus war material are reported to have been made to foreign Governments in 1919, and since then munitions have been sold to Panama, Nicaragua and Cuba. In the case of Cuba, moreover, its Government was threatened with an armed uprising. Actuated by such cogent reasons, and supported by such adequate precedent, the policy adopted by the United States appears to be in no way anomalous.

PRIVATE TRAFFIC IN ARMS LEGAL

The exportation of arms by private individuals differs essentially from that undertaken by Governments. The exportation and sale of arms by citizens of a non-combatant State is a purely commercial transaction. Even in time of war, it is not forbidden by the rules of international law. Indeed, it is distinctly contemplated, the ability to purchase arms being considered a safeguard against the burden of armament during peace. This trade, sanctioned in time of war, is all the more conceded during the existence of an insurrection. The very fact that liberty to trade with insurgents as well as with the parent State was presumed, led the United States to enact a law under which such trade might be regulated or prohibited by the Executive as policy might suggest. A joint resolution of Congress, passed on Jan. 31, 1922, superseding one of March 14, 1912, of the same tenor, provided that, "Whenever the President finds that in any American country or in any country in which the United States exercises extraterritorial jurisdiction, conditions of domestic violence exist, which are or may be promoted by the use of arms or munitions of war procured from the United States, and makes proclamation thereof, it shall be unlawful to export, except under such limitations and exceptions

as the President prescribes, any arms or munitions of war from any place in the United States to such country until otherwise ordered by the President or by Congress.

TAFT AND WILSON ON ARMS FOR MEXICO

The placing of an embargo on the shipment of arms, as provided in this resolution, is not a new method of emphasizing the policy of the Government in regard to Mexico. On March 14, 1912, President Taft, acting under authority of Congress conferred that day, issued a proclamation to the effect that conditions of domestic violence promoted by the use of arms or munitions of war procured from the United States having been found to exist in Mexico, export of these materials was forbidden. An exception was later made to permit such exportations to the Madero Government. But although the United States was willing to support Madero to this extent, it was not willing thus to favor Huerta, whose Government it refused to recognize. Therefore the embargo as applied by President Wilson in 1913 was impartial in form. In his address to Congress, Aug. 27, 1913, he said: "Difficulties more and more seem to entangle those who claim to constitute the legitimate Government of the [Mexican] Republic. They have not made good their claim. Their successes in the field have proved only temporary. War and disorder, devastation and confusion, seem to threaten to become the settled fortune of the distracted country." Under these circumstances, with no party in control of the situation, the supply of arms to either side would, apparently, have been not to suppress rebellion but to encourage civil strife. Hence President Wilson continued: "I deem it my duty to exercise the authority conferred upon me by the law of March 14, 1912, to see to it that neither side to the struggle now going on in Mexico receive any assistance from this side the border."

Although this embargo was conceived impartially enough, the fact was that Huerta, recognized by most of the States of the world, could import arms from them, whereas the Carranza party, to whom the United States was becoming more and more sympathetically inclined, had no

such opportunities. Therefore on Feb. 2, 1914, the embargo was lifted. President Wilson made the following statement next day:

"The executive order [Taft's order which Wilson had merely continued] under which the exportation of arms and ammunition into Mexico is forbidden was a departure from the accepted practices of neutrality—a deliberate departure from those practices under a well-considered joint resolution of Congress, determined upon in circumstances which have now ceased to exist. It was intended to discourage incipient revolts against the regularly constituted authorities of Mexico.

Since that order was issued the circumstances of the case have undergone a radical change. There is now no constitutional Government in Mexico and the existence of this order hinders and delays the very thing the Government of the United States is now insisting upon, namely, that Mexico shall be left free to settle her own affairs and as soon as possible put them on a constitutional footing by her own force and counsel. The order is, therefore, rescinded.

These seemingly contradictory statements may best be understood in the light of the persistent desire of the Administration for the downfall of the Huerta régime. When the circumstances were such that Huerta would profit by the exportation of arms from the United States, it was stopped; when they had so altered that Carranza would benefit, it was permitted.

The embargo thus lifted on Feb. 2 was restored on April 23 for a brief interval, but for more than a year thereafter the exportation of arms was permitted. During this time Huerta fled from Mexico. On July 20, 1914, Carranza took the oath of office, but immediately became involved in hostilities with Villa. As in 1913, riot and rebellion were rampant, and Mexico had no Government. Throughout this period, however, arms and munitions were available to both parties. It was not until Oct. 19, 1915—the day that the Carranza Government received *de facto* recognition—that the embargo was restored, exception being made, however, in favor of the Constitutionalists, and this exception continued during the troubled months of 1916, when Villa was leading raids on United States territory.

It was with the support of these many

precedents that President Coolidge on Jan. 7, 1924, admitting the existence of conditions of domestic violence in Mexico as a result of the rebellion of de la Huerta against the recognized Government of Obregon, laid an embargo on the export of arms to Mexico, except such as might be approved for shipment to Obregon.

BLOCKADE BY DE LA HUERTA ILLEGAL

The maintenance of a blockade by insurgents has been held to be invalid in international law. The term blockade refers to a special act of war, maintained in accordance with definite rules, and subjecting third powers to certain disabilities. Owing to these inherent characteristics it cannot be employed by insurrectionists. This does not imply that the insurgents may not maintain a force sufficient to prevent ingress to a port of the parent State, but it does imply that vessels of other flags attempting to pass through the cordon of insurgent vessels are not subject to condemnation for breach of blockade. According to a resolution passed by the Institute of International Law in 1901, a third power "so long as she has not herself recognized a state of belligerency is not bound to respect blockades established by the insurgents upon portions of the coast occupied by the regular Government."

John Hay, when Secretary of State, in enunciating a most liberal view regarding insurgent blockade, said:

In no case would the insurgents be justified in treating as an enemy a neutral vessel navigating internal waters—their only right being as hostiles, to prevent the access of supplies to their domestic enemy. The exercise of this power is restricted to the precise end to be accomplished. No right of confiscation or destruction of foreign property in such circumstances could well be recognized, and any act of injury so committed against foreigners would necessarily be at the risk of the insurgents.

In refusing to recognize the blockade of Tampico by the de la Huerta forces, the United States is following precedents in reference to insurrections in Mexico, as well as in other American States. In January, 1891, it joined with Great Britain, France and Germany in declaring illegal and protesting against the blockade of Val-

paraíso and other ports by the revolting party in Chile. On March 13, 1860, during a Mexican revolution, when arrangements were being made by the insurgent Government to establish a blockade of Vera Cruz, the Navy Department informed its commander at that port that "the President having decided that no such blockade would be recognized by the United States, you are therefore directed to employ the naval force under your command to afford American vessels free ingress and egress at all Mexican ports and fully to protect them." Again, in 1902, Secretary Hay declared that "there is no call for the Government of the United States to admit in advance the ability of the insurgents to close, within the territorial limits, avenues of access to their enemy. That is a question of fact to be dealt with as it arises." The answer was the recent refusal of the United States to recognize the insurgent blockade of Tampico.

Another incident growing out of the de la Huerta rebellion was the passage, through United States territory, of some 2,000 Obregon troops. The international rule prohibiting the passage of troops of contending powers through territory of third States is designed for the protection of neutral States in time of war. It does not contemplate other situations in which the passage of troops through a foreign State may be deemed expedient. In such cases, provided that permission has first been obtained, no legal principle seems to be involved. Moreover, in authorizing the passage of some two thousand troops of the Mexican Federal forces, unarmed, across the southern border of the United States, President Coolidge did not inaugurate a new policy. Reciprocal permission for the passage of troops of the United States and of Mexico through each other's territory has frequently been granted. On June 20, 1861, the United States, desiring to concentrate in the then Territory of Arizona a body of troops from its Pacific possessions, permission for their transit across its territory was granted by Mexico. In 1885, the overflow of the Rio Grande in Texas made the passage of troops along the southern shore imperative, and the privilege was again accorded. On the other hand, in 1876 Mexico received the consent of the United States to land a small



Keystone

The Juarez Memorial in Mexico City. Benito Pablo Juarez, of full Indian blood, was born in 1806 and devoted his career to working for constitutional government in Mexico and maintaining his country's independence. He was President of the republic from 1858 till his death in 1872, and is often referred to as the Washington of Mexico

force at Brazos Santiago, Texas, to aid in the defense of Matamoras. More strikingly similar to the present situation was the occasion in 1889, when the Harrison Administration gave permission to one hundred Mexican infantry to travel by the Southern Pacific from El Paso, Texas, to San Diego, California, the respective Governors giving their requisite sanction for the passage through the States of California and Texas, and the Territories of Arizona and New Mexico. More recently, in the Autumn of 1915, after the recognition of the Carranza Government, troops of the latter were allowed by the Wilson Administration to pass through United States territory in order to reach the State of Sonora, Mexico.

In considering all the elements in the present relations between the United States and Mexico, two observations are of paramount importance. In the first place, the

conditions existing in Mexico do not constitute war in the legal sense. From this it follows that the United States may lend what assistance it will to the Government party without, on the one hand, becoming an ally of that party, or, on the other, rendering itself liable for breach of the international obligations of a neutral. In the second place, "it is not a situation of our making," as President Coolidge said, "but one which came and had to be met." A mere request made by a friendly Government creates an obligation; non-compliance may entail consequences differing essentially from simple non-performance of the act desired.

In view of these facts, the attitude adopted by the United States toward Mexico appears irreproachable from the legal point of view, and warranted, on the basis both of general considerations and of precedents, from the standpoint of policy.



BRAZIL'S POSITION AS AN ARMED POWER

By HELIO LOBO

Consul General for Brazil in New York since June, 1920, Mr. Lobo occupies a high position as a diplomat, jurist and author; he has been Secretary to the Presidency of Brazil, General Secretary of the Brazilian Delegation to the Versailles Peace Conference, delegate to the Fifth Pan-American Conference and Consul General in London

Weakness of Brazil's national defenses from the standpoint of territory and population—Relations with Argentina and Chile—Proposals to pave the way toward disarmament rejected by other Latin-American nations—Brazil's genuine aspirations for peace

IN discussing the subject of armaments in South America, some of the organs of the American press have commented on the alleged "militarism" of Brazil. Brazil, according to these utterances, is, first, arming beyond the requirements of her natural defense; second, she prevented at Santiago, on the occasion of the Fifth International Conference of American States, the limitation of armaments. These charges are serious enough to justify consideration.

Not every one has Brazil's geographical situation clearly in mind. Brazil possesses approximately half the area and population of the South American Continent. Her territory extends from 5.10 degrees north latitude to 33.46 degrees south latitude, and the length of her coasts along the Atlantic is greater than the distance between New York and Liverpool. Her inland frontier touches every republic of South America save Chile, as well as the three colonial possessions held by France, Great Britain and Holland under the name of the Guianas. Such is the territorial extent of this immense country that one of her smallest States is about the size of Belgium, while the largest of them is three times as large as France. Though Brazil covers so large a part of the southern continent, she has never been able to meet the most elementary requirements for her defense.

Eighteen of her twenty-one States are littoral, and in the event of foreign attack or internal revolution defense would be difficult owing to their isolation. There are few railways or highways, and almost the only means of communication has been by coastwise navigation, which requires no less than ten to fifteen days from south to north. If the territory of Brazil were superimposed on that of the United States there would still be room for a State larger than Texas. Nevertheless, the railway system of Brazil is barely equal to that of this American State. Furthermore, it is concentrated in the southern part. As compared with the 250,000 miles of railway in the United States, we have in Brazil but 18,000. This shows that the fundamental problem of Brazil, especially in respect of military affairs, is the extension of her railways. Until this is accomplished (and not less than half a century will be necessary for the task) she will have to give attention to her land and naval forces, and especially to the latter, which will constitute the mobile defense of the littoral.

Only a comparatively short time ago Brazil, urged on by strong national sentiment, accomplished what had long been desired—the establishment of two parallel missions, one for the army and another for the navy. The first carried on its work under the direction of General Gamelin, a

French Army officer, and it has completed the major part of its task; the second, headed by Admiral Vogegeelsang of the United States Navy, has hardly begun to function. The design of these missions is to provide Brazil not with super-armaments but with a state of elementary defense in keeping with her budgetary conditions and her principles of international law. The nation's past, its idealism, its devotion to peace and justice, would permit no more. The testimony of these missions would be the best mirror of our state of defense and our intentions.

SOUTH AMERICA'S BATTLESHIPS

On the water, for example, if the voice of the alarmist were to prevail, we should be dreaming of superdreadnoughts, when, in truth, what we ask is nothing more than to complete the program of 1906, the execution of which was suspended by the war of 1914. For so exposed a coast there are no naval bases. The two existing capital ships—the Minas Geraes and the Sao Paulo—have lived out two-thirds of their usefulness, and if they had not been repaired in Brooklyn in 1918 and 1920 they would in all probability have reached the limit of their service by this time. In South America there are only five dreadnoughts, and among them those of Brazil are inferior to the two Argentine vessels—the Rivadavia and the Moreno—each of which, in turn, is inferior to the Almirante Latorre of Chile, the most powerful and most modern of all. The displacement of these war units is 39,000 tons, 55,000 tons and 28,000 tons, respectively, for Brazil, Argentina and Chile. As to auxiliary vessels, the latest service of the Brazilian destroyers and torpedo-boat chasers was the patrolling of allied waters, and after that almost all were declared more or less useless for action. Perhaps some Americans are unaware that ours was the only one of all the flags of the southern continent that waved in the naval theatre of the war on the side of the Allies.

On land, while Chile about a quarter of a century ago reorganized her army on German lines under Korner, and Argentina twenty-two years ago established compulsory military service, Brazil, on her part, only a short time ago, in 1917, decreed the



Keystone

ARTUR DA SILVA BERNARDES
Präsident of the United States of Brazil

incorporation of the militia in the ranks. Recently it was asserted, in regard to the vote by the Argentine Congress of 100,000,000 pesos for the military reorganization of the country, that not less than 30,000 Brazilian soldiers were "posted opposite the Argentine Province of Corrientes." In reality, the army of Brazil contains only 43,000 men, scattered over a territory of more than 3,000,000 square miles and populated by 30,000,000 souls. This represents barely a division of infantry for each group of 6,000,000 inhabitants, whereas in the cases of other nations of South America this proportion varies from a division for every 1,000,000 inhabitants to a division for every 3,000,000.

When the limitation of armaments was first brought forward for discussion in South America on the occasion of the Fifth International Conference of American States, Brazil declared herself ready to undertake limitation. To that end she said she was prepared to reveal, when the moment should arrive, the state of her land and sea forces in order to place both her desire to cooperate and the precarious con-

dition of her defense beyond doubt. Argentina and Chile also showed themselves to be in favor of limitation. But there was a divergence of opinion as to the manner of carrying the limitation into effect and in the numbers of that limitation, above all, in the case of the navies. Brazil held that the most practical means of arriving at an agreement would be by the discussion of the subject by the countries most directly concerned, that is, the "A B C" countries—Argentina, Brazil and Chile. They alone possess navies, and theirs, in the last analysis, are the largest armies of South America. Brazil accordingly invited her two sister nations to a preliminary conference in which they should propose the bases of comparison for consideration at Santiago. Chile accepted, but Argentina declined, on the ground that the matter was of general interest and therefore ought to be discussed openly. Hence the proposed preliminary conference was not held.

POSITION OF "A B C" POWERS

During the conference at Santiago it became evident that limitation could only indirectly interest the other republics, because the largest of them—the United States—already had a treaty of her own, and five others had just made their treaties in a regional convention. It was precisely one of the latter republics—Honduras—that suggested that the subject of the limitation of armaments be dealt with by the "A B C" powers, and this ultimately was the outcome. For such a procedure the

Washington conference itself furnished a precedent, since only five of the nine nations invited discussed and signed the convention of limitation on Feb. 6, 1922. Furthermore, the only convention that affects

the Americas today is the one that regulated the limitation of armaments among the countries of Central America. By that convention those countries engaged not to acquire navies during the continuance of it. No plan for a general limitation has so far been adopted anywhere, as is seen in the failure of the League of Nations in this direction.

The proposal for a preliminary conference having been rejected, the question became one for general discussion at Santiago. But how was it possible in thirty days to reach agreement on subjects as delicate as those connected with the military and naval organizations of eighteen nations, so unlike one another, with geographical and political factors so varied and with international relations of so complex a nature? Twenty-one sessions covering a period of nearly three months were required by the conference at Washington, in which only five countries took part and which did not have to



Monument (designed by Charles Keck) presented on behalf of the American people to Brazil on the occasion of her centennial celebration. The statue was erected on the Avenida Presidente Wilson, overlooking the harbor of Rio de Janeiro

deal with the mass of other subjects which at Santiago in the space of one month demanded the attention of the delegates.

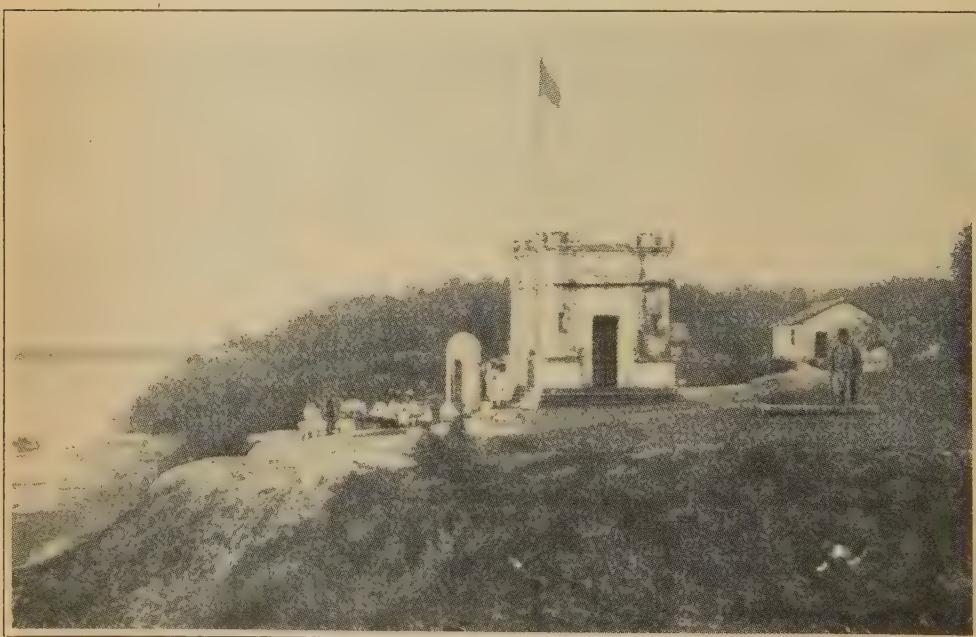
A New York newspaper remarked some time ago that "the Brazilian craze for armament was the rock on which the generous hopes of the Santiago conference were shattered." As a delegate from Brazil

to the conference I deny this entirely. No one, I think, of my generation in Brazil has devoted more study than I have to the national diplomatic archives, from which I have freely quoted in my books. Before the University of Buenos Aires, which honored me afterward with a degree, I also discussed in a course of five lectures the international policy of Brazil, showing how it was and has always been inspired by the loftiest and most humanitarian American ideals. A pacifist by nature and by conviction, I should not shrink from denouncing any Brazilian Government that would place the purposes of hegemony or dreams of militarism above these ideals. There is no nation, however intense its liberal aspirations and however admirable its past, that may not be carried away by an occasional outburst of aggressiveness, but so far this has never happened in Brazil, and the Government that gave us our instructions as delegates to the conference at Santiago did not depart from its peace-loving policies. In respect of disarmament, its thought was and is to ask for the minimum compatible with the extent of our coasts and the vastness of our territory.

Brazil advocated at Santiago no more

than the application of the conclusions of the Washington conference to the naval forces of the "A B C" countries; and, as to land forces, the principles of limitation adopted in Central America. The difference of views among the three nations (it might be said perhaps of the larger two, since, according to appearances, Chile would have favored the solution that might have been agreed upon by them), however, prevented an agreement. Argentina, setting aside the naval convention mentioned (that this convention did not take as a basis the status quo is proved by the fact that Japan might complete the Mutsu and the United States the vessels of the West Virginia type), would have kept the military resources of the three countries in the state in which they were. Brazil, on the other hand, advocated in the case of land forces a limitation based on "population, area, extent of frontiers and several other factors" (Article I. of the convention of Feb. 7, 1923, between the Republics of Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica), and in the case of naval forces a maximum of 80,000 tons for capital ships. It should be noted that, inas-

much as the Washington and Central



The frontier post at Tabatinga, on the borders of Peru and Brazil



The Avenida Rio Branco, the main street of Rio de Janeiro, capital of Brazil

American agreements established for the secondary powers a sliding scale of limitation, Brazil went further by proposing a common formula, although she has a population three times as great as that of Argentina and about eight times as great as that of Chile, and a territory almost three times larger than the former of these republics and twenty-five times larger than the latter.

BRAZIL'S NAVAL STRENGTH

These were the proposals made to the Santiago conference. That Brazil did not ask for too much is confirmed by all those that are acquainted with her military and naval position, and even more so by the testimony of an irreproachable foreign committee, the temporary mixed committee created by the League of Nations and entrusted with the task of presenting a schedule of armaments for the whole world with a view to a general reduction. As is well known, that committee began its task with the navies, and, having reached the leading

countries of South America, it decided that to adopt as a basis their present strength would result in leaving some of them in a position of unjustifiable inferiority to others. In making its report the naval subcommittee of the same committee took occasion to emphasize this fact. Its remarks refer to 1922 (since 1906 Brazil has not acquired a single capital ship), and constitute the best and most concise testimony as to the much discussed militaristic designs of Brazil and her present state of defense:

Article IV. of the schedule (which would leave Argentina with 81,000 tons, Brazil with 45,000 and Chile with 35,000) was drafted in strict accord with the principle of the present state of the navies. The majority of the members of the naval subcommittee, however, felt obliged to call the attention of the Council of the League to the consequent inequality among the naval forces of the three South American republics, since, owing to technical and general circumstances, each of them ought to have equal naval forces, the

tonnage of ships of the line being limited, however, to 80,000 tons for each.

If this was so in the case of Brazil, neither Argentina nor Chile exceed in war preparations. To speak of the limitation of armaments in South America is to begin with the idea of her being, like Europe, overarmed. The contrary is, however, the case. If there existed in South America the widely heralded abuse of armies and navies, the budgets would at once indicate the fact; whereas an examination of them leads to an entirely opposite conclusion. No one has made this clearer than Agustin Edwards, President of the Fifth International Conference of American States, did when he explained to the fourth assembly of the League of Nations (third committee, Sept. 7, 1923) the achievements of the conference. To make his report more striking, Mr. Edwards compared the situation of the "A B C" nations with that of certain of the European countries that remained neutral during the World War and that were reputed to be among the most peaceful. Quoting the latest available figures he showed that Spain spent £27,647,000 on her land and naval armaments, Sweden £9,651,000, Denmark £2,668,000, Norway £1,961,000, a total of £41,927,000. At the same time, in South America, Argentina spent £7,447,000, Brazil £5,215,000 and Chile £4,254,000, a total of £16,916,000. The other American countries as a whole, exclusive of the United States and Canada, spent £26,498,000, bringing the total for the twenty Latin-American nations up to £43,414,000. These figures prove that the three "A B C" countries spent, individually, less than Sweden, and the three united, hardly more than 60 per cent. of the amount expended by Spain. In other words, the twenty Latin-American republics spent about the same as four of the most peaceful and least armed nations of Europe. The population of the three Scandinavian countries mentioned is about 11,900,000, and that of the three "A B C" countries about 42,900,000. As the two groups of countries spent approximately the same on armaments, and as the population of the American group is four times greater than that of the Scandinavian, the inevitable conclusion is that armaments cost the inhabitants of the least armed

European group four times as much as they do those of the most heavily armed of the American group.

EXPENDITURE ON ARMAMENTS

If we now consider the question in respect of the American countries alone, the results are no less interesting. In truth, the twenty Latin-American republics spend at present £43,414,000 and the United States £176,858,000. If it is true that the United States is today a naval power of the first class, it is no less true that the aggregate outlay of her twenty continental sisters is four times less than hers. The population of the United States is about 110,000,000; yet that of Latin America is but little less—about 90,000,000—and in a larger territory.

Despite its noble results, the Washington conference also contributed directly to the state of confusion that characterizes public opinion on the subject of disarmament. An attempt was made to bring about the application of principles adopted at Washington by the signatories of the naval treaty to the other nations, without any account being taken of the relativity of the problem. The conference fixed limits for countries that had attained, as well as those that had exceeded, the maximum military strength, and which, after issuing from an unprecedented war, felt forced to reduce to the utmost budgets raised by the war to colossal figures. What was to be done in the case of such a country as Brazil, whose naval strength, already greatly inadequate, was neglected, instead of being perfected, during the war days? Public opinion was also deeply impressed by the dramatic aspect of the sacrifice of battleships, and nothing that did not partake of such destruction could wholly satisfy it. Battleships are, in truth, the visual expression of sovereignty, the most tangible form of the power of attack and destruction; but the limitation of them, although economically important, was not everything, either in the political or in the tactical sense, for development had taken place in the power of other arms and lethal devices, among them poisonous gases, to the perfecting of which science is devoted in every country, and which, without a doubt, will play an enormous part in fu-

ture wars. If the Santiago conference had voted in favor of the scrapping of the present battleships, a halo would surround its achievements at this moment. But it accomplished much more by condemning the horrors of war and the abuse of some of its sinister practices, and especially, by signing the Gondra treaty, under which all the nations of one continent will, for the first time, pledge their honor not to have recourse to hostilities or to acts preparatory to them, and especially not to engage in acts of war prior to the study of a committee of investigation. Whatever may be the outcome of the committee's inquiries, there will thus be the means of eliminating the passion of the moment, so that a cooling off period may safeguard the interests of peace.

Limitation of armaments constitutes but a part of the remedy. Equally, if not more important, is man himself. Peoples will be the best of friends if they dwell in an

environment of peace. If this environment be lacking, they will fight. It would be childish to suppose that the Washington conference banished war or even limited it among the five powers that signed the naval treaty, simply because it reduced the number of capital ships allowed to each of them. The real effect of the treaty was less tangible but much more productive: the conference brought together great and small nations to discuss a subject of common interest from which might spring suspicion and friction, thus solving present difficulties with frankness and good understanding and even preventing future disasters. The treaty of guarantee in the Orient is worth, in this particular, much more than the destruction of the *Delaware*, *Agamemnon* or *Settsu*. Ironclads may be created in an emergency, but friendships, based on good faith, acquaintanceship and reciprocal confidence, cannot be improvised.



AN AMERICAN LABOR PARTY IN THE MAKING

By HAROLD LORD VARNEY

Special Agent, Federal Board for Vocational Education; author of many articles on labor questions in leading magazines and newspapers

The revolt of the unions against the Gompers policy of non-partisanship in politics—Significance of the Conference for Progressive Political Action—Elements that are combining farmers and industrial workers in new national organization

THE triumph of the British Labor Party is a political portent of the first order to America. It is a demonstration of the unsuspected possibilities of labor political action, marking the rise of labor to political power in a nation which corresponds most nearly to the United States in economic structure and political traditions. Moreover, it is a triumph of trade unionism, as a political force, in contrast to the triumph of political socialism or communism, as in Germany or Russia. To the American unionists it is an alluring precedent of success.

Its shadow falls upon the American labor movement at a significant moment. A ferment of new impulses and ideas has been stirring the American trade unions since the conclusion of the World War. Foremost among these has been the idea that the unions must revise the Gompers policy in politics. A number of the most influential union groups have been toying with the idea of an American Labor Party. Meanwhile, the Farmer-Labor movement in the Northwest has arisen to show the possibilities of third party action. The Minnesota Farmer-Labor Party has already issued a call for a national convention to meet in St. Paul on May 30 to launch a national farmer-labor party. The glamourous example of the British party will be before this convention and it is generally believed that the occasion will witness the birth of the long-expected American Labor Party. Such an event would be epochal in its importance in American politics. Even

though this does not occur, however, the rise of the new movement in American labor is too striking and too important in its possibilities to be ignored.

Hitherto the powerful personality of Samuel Gompers has blocked the formation of an American Labor Party. For forty years Mr. Gompers has irradiated the intellectual life of the American Federation of Labor. Early in his career Gompers had certain unfortunate experiences with the Henry George movement and contracted an ineradicable distrust of labor party action. That distrust has colored all his political thinking, and until recently it colored the political thinking of the entire American Federation of Labor. To Mr. Gompers the function of trade unionism is predominantly economic. There is something almost syndicalistic in his insistence that the economic life of the nation should be independent of political control. His ideal, as expressed in the declaration of principles adopted by the recent Portland convention of the American Federation of Labor, is an economic order of self-governing industries, existing parallel to the political government. He has even urged the idea of an industrial parliament, beside the political parliament. With such an ideal it is inevitable that he should minimize the value of mere political labor victories. The really important victories of labor must be won on the economic field, he declares, and political activities waste the energies of the unions and weaken

them for economic warfare. It is only to the extent that the political government touches the labor unions, in such matters as court injunctions, labor legislation, immigration regulation, and so forth, that Mr. Gompers concedes the need of labor political activity. Such political action should be defensive rather than offensive. In accordance with this view he has developed a political program, under the name of "Labor Non-Partisanship," which is designed to defend the political interests of the unions before Congress and the State Legislatures, without entangling the movement in direct labor politics.

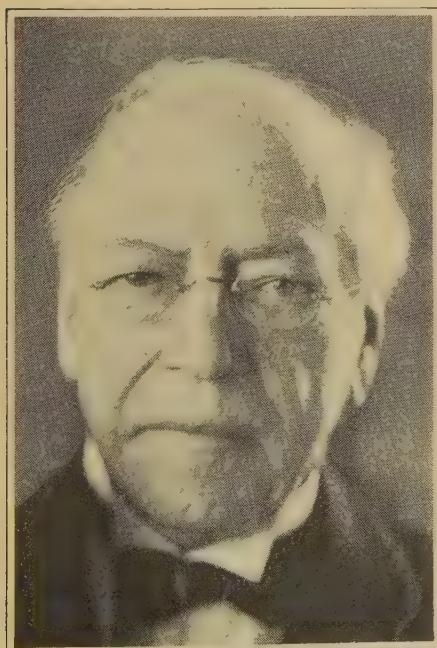
THE GOMPERS "NON-PARTISAN" POLICY

To understand the spirit of revolt against the Gompers political policy that is now brewing in the trade unions, a brief description of this "non-partisan" policy will be illuminating. The beginning and the end of this policy is the control of legislation. Throughout the Congressional session a legislative lobby of three officers

of the American Federation of Labor, the "National Legislative Committee," is maintained in Washington to watch the course of legislation. At the beginning of each session a legislative program of measures favored or opposed by the Federation is drafted. It is the duty of the legislative committee to work aggressively on behalf of this program, to submit briefs at Congressional hearings on the respective measures, to interview Congressmen and Senators and to disseminate publicity to win the support of public opinion. Since 1921 the work of this committee has been reinforced by a larger body—the Trade Union Legislative Conference Committee—comprising the national legislative agents of the international unions and of the railroad brotherhoods. This body has a membership of between thirty and forty persons, who are all busily engaged throughout the Congressional session working for the labor legislative program.

The scope of this legislative work is shown in the last report of the Executive Council of the Federation, which declared that 400 measures affecting labor were introduced in the Sixty-seventh Congress. Of these the council reported that 12 favorable to labor were enacted into law through the efforts of the Federation; that 16, which were unfavorable, were defeated, and that 5, which were unfavorable, were enacted over the opposition of the Federation.

The National Legislative Committee in its present form has been functioning since 1895. Mr. Gompers early learned, however, that it was not sufficient to urge labor interests before Congress. To overcome Congressional indifference it was necessary to have the means of rewarding or punishing legislators. The bait of the "labor vote," therefore, has always been held enticingly before the eyes of Congressmen. To mobilize this vote the American Federation of Labor must function at the polls. To effect this result the Federation embarked in 1906 upon a further policy of non-partisan campaign activities, aimed to enforce its legislative program. This policy, which has remained practically unaltered for eighteen years, is known as the "reward our friends, punish our enemies" policy. The ma-



Wide World Photos

SAMUEL GOMPERS

President of the American Federation of Labor, a position which he has held continuously since 1882

chinery through which it is executed is a standing committee, appointed biennially by the Executive Council, known as the "American Federation of Labor National Non-Partisan Political Campaign Committee."

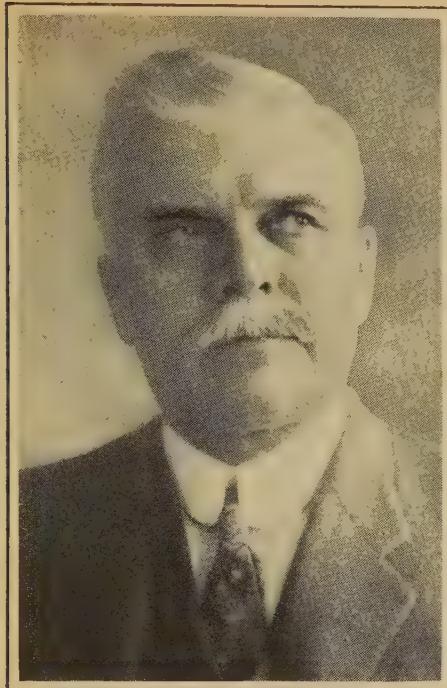
In preparation for elections the Legislative Committee keeps a card index of every Senator and Congressman, with the record of his vote on every measure of the American Federation of Labor program. The Campaign Committee studies this index record, and on the eve of every election classifies all candidates for re-election as "friendly" or "unfriendly" to organized labor, according to their voting average. In the case of the "unfriendly" candidate, the committee inaugurates a campaign to defeat him in his district. A copy of his record is sent to all the affiliated trade unions in the district and they are instructed to mobilize the labor vote solidly against him on Election Day. The organizing staff of the American Federation of Labor is enlisted to energize the political activity in their respective districts. Publicity is poured out of the Washington headquarters through all available channels. In the election of 1922 the committee claims that, as a result of American Federation of Labor activities, 23 friendly candidates for the United States Senate were elected and 11 unfriendly candidates were defeated, while for the House a total of 170 successful candidates owed their election directly or indirectly to American Federation of Labor efforts. Manifestly, such a campaign program must be punitive rather than partisan. The concern of the Gompers program is not so much to elect labor men to Congress as it is to coerce the sitting members of the old parties to favorable legislative action. Every defeated trade union enemy is a powerful argument of example for labor's legislative program. The campaign activities of the Federation are limited to this objective.

The critics of the Gompers policy declare that this objective is insufficient. In recent years a new group of leaders has arisen whose political ambitions for the labor movement go far beyond this American Federation of Labor non-partisan policy. If the Gompers faction can be charac-

acterized as the Right Wing of the labor movement, this new group can be said to constitute the Centre. The motive force behind this Centre faction is Warren S. Stone, Grand Chief of the Brotherhood of Locomotive Engineers. Organizations representing fully half of the trade union membership of the United States have already accepted the political leadership of this new faction. Within the American Federation of Labor itself such international Presidents as Johnston of the Machinists, Noonan of the Electrical Workers, Fitzgerald of the Railway Clerks, Fljordal of the Maintenance of Way Employees, Ryan of the Carmen, Manion of the Telegraphers, Franklin of the Boilermakers and Healy of the Stationary Firemen have joined the Centre group. Several of the district Presidents of the United Mine-Workers are active members. Outside of the American Federation of Labor, Robertson of the Firemen, Sheppard of the Conductors and to a less extent Lee of the Trainmen support Stone. A large number of prominent State and local trade union officials have affiliated themselves with this faction.

What is the program of this new faction? As yet it is largely indefinite and in process of evolution. The movement represents an impulse rather than a reasoned philosophy. Behind this impulse is the feeling that the old Gompers political policy is antiquated and inadequate, and that it is holding back the trade union movement from a possible destiny of political power. Let labor have an offensive as well as a defensive political policy, is the slogan. Perhaps the nearest analogy to the political attitude of the group is to be found in the ideals of the trade union section of the British Labor Party.

On a few issues, however, the members of the new group have already taken a definite stand in opposition to the official Gompers attitude. A common support of the Plumb Plan was the first issue which drew them together, and trade unionists will never forget the astonishing defeat which the "Centrists" administered to Gompers at the Montreal Convention in 1920, when he took the floor against this proposal. All the members of this group are interested in socialization, and they



WARREN S. STONE

Grand Chief of the International Brotherhood of Locomotive Engineers, and prominent in the movement to create an American Labor Party

favor Government ownership of public utilities, which Mr. Gompers opposes. They are intensely interested in cooperation. They disagree with Mr. Gompers in his perennial fight against Soviet Russia. They stand in a relation of cordial sympathy to the British Labor Party, which Gompers detests. They are a unit in the belief that eventually the labor movement will evolve an independent labor party in America. Politically, they are united in the body known as the Conference for Progressive Political Action. This body was formed in 1922 as a loose affiliation of labor and farmer groups which disagreed with the Gompers non-partisan policy. The idea expressed at the first convention was that the conference would be a temporary organization in which the different groups would learn to act together politically. When sufficient cohesion and political experience had been attained the conference would launch a national Farmer-Labor or Producers' Party.

PROGRESSIVE CONFERENCE FORMIDABLE

The Progressive Conference is the most dangerous rival that has ever risen against Mr. Gompers and his policies in the Federation. At its first convention it claimed a total membership for the organizations affiliated with it of 1,600,000. Since then the International Typographical Union and several smaller internationals have become members. In the 1922 campaign its activities in some of the States far overshadowed those of the American Federation of Labor Non-Partisan Committee. In 1924 it proposes to carry out a program even more ambitious. Necessarily, it has confined itself for the present to non-partisan activities. The charge has been made that it merely duplicates the work of the American Federation of Labor in this field. There are, however, two points of difference. The Conference specializes in efforts to secure the nomination of progressives at the primaries, in contrast to the American Federation of Labor, which makes its main effort at the final election. Again, the Conference includes farmers' organizations, and therefore its decision upon candidates is based upon their record for agricultural legislation, as well as labor legislation. In all its statements the Conference emphasizes the fact that it represents the interests of the entire producing element of the nation, of which labor is but one group. One advantage which the Conference has over the American Federation of Labor Non-Partisan Committee is in the field of publicity. To reach public opinion the Conference uses the old Socialist method of newspaper distribution. The unions composing the Conference publish at Washington a weekly paper, *Labor*, which, like the old *Appeal to Reason*, is circulated during the weeks before elections in hundreds of thousands of copies. During the 1922 campaign *Labor* attained a circulation of 1,000,000 copies a week. In addition, special State issues for free distribution are printed from time to time. Such specials were used with devastating effect against Beveridge in Indiana in 1922 and against Preus in Minnesota in 1923. The plans for 1924 provide for a distribution of this paper on an enormous scale.

From this outlook it seems certain that

the Progressive Conference is the forerunner of the destined American Labor Party. At present its leaders regard the time premature for independent politics. William H. Johnston, Chairman of the conference, has pointed out that it would be fatal to the labor party program to launch an independent party before the labor unions themselves are ready to enter it without reservations. The example of the triumphant British Labor Party is before them to reinforce this opinion. On the other hand, the disastrous history of the Socialist Party in America is a vivid reminder of the folly of forming a labor party without labor. Johnston himself and several of the members of the National Committee of the Conference are old-time members of the Socialist Party, and realize this fact poignantly. There are indications, however, that 1924 may evolve such unusual political circumstances that a labor party can be successfully launched this year.

The leaders of the conference had been hoping that William G. McAdoo would be the Democratic nominee for President this year, in which case they would have had an acceptable progressive to support. The Doheny exposures may result in the nomination of conservatives by both the Republican and Democratic Parties. In such a case it would be necessary for the Progressives to repeat the adventure of 1912. As a third party possibility no other candidate but Senator La Follette is suggested by the conference leaders. That the Progressive Conference wishes to leave a loophole open for such an emergency is seen by the vote in their recent convention at St. Louis to hold a convention at Cleveland on July 4 after the two old parties have made their nominations. If neither the Republicans nor Democrats present an acceptable candidate, it was the consensus of opinion among the St. Louis delegates that a third party should be launched at that time. In the light of this possibility we may be nearer to the birth of an American Labor Party than we have suspected.

THE TRADE UNION LEFT WING

The Progressive Conference does not exhaust the list of the opponents of the Gompers policy within the labor movement. If

the conference is the Centre, there is a Left Wing in the trade unions which has already taken the bit of labor party action between its teeth. This group comprises a wide field of scattered movements, among which are the Farmer-Labor Party of Fitzpatrick and Christensen, which was still-born in 1920; the Federated Farmer-Labor Party, which was launched prematurely in 1923; the Committee of 48, the Progressive Parties of Nebraska and Idaho, and the various Communist groups, including the Workers' Party. Of even more importance is the Farmer-Labor Party of Minnesota, which has already won the trophies of political victory.

Under the leadership of the Minnesota organization, these scattered groups have been invited to hold a national convention in St. Paul on May 30, at which time a national Farmer-Labor Party is to be formed and a Presidential ticket nominated. Even though the Conference for Progressive Political Action declines to act this year, the Left Wing faction will launch its third party. It is not unlikely that during the next few months the plans for the St. Paul and the Cleveland conventions will be consolidated. Whatever be the outcome, it seems certain that some kind of labor party will be in the field in the coming election. To those favoring such a step the oil scandal has come as a veritable godsend to undermine confidence in both of the old political organizations. No time more propitious than the present could be selected, it is believed.

In the third party situation the old Socialist Party plays a peculiar rôle. By tradition it should be with the Left Wing, which is already committed to independent political action. But it has chosen to cast its lot with the Progressive Conference of "Centrists," where Morris Hillquit, its leader, has been honored with a place on the National Committee. Within the conference the Socialists constitute a resolute minority who urge the immediate formation of a labor party. With the Socialist Party, the International Ladies' Garment Workers and the Amalgamated Clothing Workers, which have long acted with the Socialists politically, are affiliated with the conference. The Amalgamated Clothing Workers, however, has tentatively ac-

cepted an invitation to attend the St. Paul convention and may act in the future with the Minnesota Farmer-Laborites.

Out of this complex situation two things appear certain to rise. One of them is that the political control of Gompers over the labor movement will suffer an irretrievable blow. The other is that an independent labor or "producers" party, which has been the lifelong detestation of Gompers, is inevitable, whether it come this year or at a later election. The birth of such a labor party would be fatal to the "non-partisan" policy as now maintained by the American Federation of Labor, for it would deprive the Federation of its power to reward or punish the old party legislators. It would compel a new political orientation of the labor movement and a radical break with traditions of forty years' standing. The United Mine Workers had this thought in mind at their recent convention when they endorsed the principle of a labor party, but warned that, in launching such a party, the enmity of those in the old political parties who are now labor's friends should not be incurred. "We must not destroy any structure that now affords a semblance of protection until such time as a new structure can be built,"

declared their resolution. But the same convention, in sending its congratulations to Ramsay MacDonald, was sending its greetings to a party which itself boldly assumed that very risk in 1900 when it deserted Liberalism, and which has now lived to see the day when the Liberal Party has become its own weaker ally. When the time arrives when the demand for a labor party becomes irrepressible in the American unions, it seems certain that the party will be launched in emotionalism rather than in cold logic, and the caution of a Gompers or a Lewis will not restrain it from shattering the old alliances.

Will 1924 see the birth of this long-awaited labor party? It is too early yet to answer the question, but never before did the event seem so imminent. All the signs indicate that we are in the twilight of the Gompers "non-partisan" policy. With the star of the incredible British Labor victory rising before the eyes of the American unions, the old non-partisan achievements of the American Federation of Labor must seem pale and inadequate in comparison. Perhaps in the powerful Conference for Progressive Political Action we already have the embryo form of the coming great adventure of the American trade unions.



CHANGING FORTUNES OF AMERICAN SOCIALISM

By JAMES ONEAL

American Socialist and author of several works on the history of
the American working class

*Causes that led to the collapse of the Socialist movement
in the United States during the war—Disruptive influence
of the Bolsheviks—Efforts to revive the organization
and take part in the Presidential campaign*

WHEN the National Executive Committee of the Socialist Party submitted its report to the St. Louis Convention in April, 1917, it reported that "the party has been free from serious dissensions and disputes. The only exception to this generalization is the case of the Polish Federation." Yet this period of harmony preceded a storm of dissension which was to divide the organized Socialists into warring factions.

In addition to its English-speaking branches, the Socialist Party had permitted various nationalities to organize into federations, with the expectation that they would be better adapted to teaching their members American history and American problems than by admitting these members into American branches. All the local organizations, including those attached to the federations, were Socialist educational clubs. Socialist Party members also functioned as citizens in a political party according to the election laws of each State.

Experience showed that the language federations were profoundly affected by what happened in Europe from the beginning of the World War. One faction of the Polish Federation favored recruiting Poles for the Austrian Army in the war against Russia. Another faction opposed this policy. Other federations were affected with "nationalist" and "internationalist" factions. The federations were being perverted from their function of acquainting their members with American problems. By 1917 most of them were acting in response to their emotional reactions to

the World War as it affected the various nations of Europe.

The Socialist Party, organized in 1901, had in 1912 received 897,000 votes. Its dues-paying membership had increased to 118,000. In 1915 it had thirty members in the Legislatures of twelve States and nearly 1,000 municipal officials, including Mayors of twenty-two cities. Its growth in votes and membership may be seen from the following table:

Year.	Vote.	Membership.
1900	87,814	10,000
1904	402,283	20,763
1908	420,713	41,751
1912	897,011	118,045
1916	590,294	83,284
1920	915,302	26,766

The Socialist movement, like the trade union movement, is often disturbed by an impatient faction of theorists, known as the Left Wing. The Socialist Party in 1912 had repudiated such a faction which favored "sabotage" and an ill-defined doctrine of "mass action." After settling this controversy the Socialists looked forward to a bright future, but war issues, the rise of another Left Wing, and the development of the Nonpartisan League in the West upset all their calculations.

The misfortunes of the Socialist Party began with the outbreak of the World War. In August, 1914, its executive issued two statements, one condemning "the ruling classes of Europe," who had demonstrated their unfitness "to administer the affairs of the nations." The other warned the nation of a possible food shortage and

urged the Government to seize the food industries in order to "starve the war and feed America." In 1915 the executive strove to organize an International Socialist and Trade Union Congress, to meet either in Europe or the United States. Failing in this, it formulated a peace program which provided for no indemnities or transfers of territory; self-determination, disarmament and the organization of an "international congress, with legislative and administrative powers over its affairs." In 1917 it renewed its efforts to get an international congress of the organized workers of all countries to meet at The Hague in June. As German submarine activities developed, the executive urged President Wilson to place an embargo on all shipments to the belligerent countries. When the United States Government broke relations with Germany, the Socialist executive urged the Socialists to organize meetings of protest against the nation entering the war, and on the eve of the special session of Congress it urged the President and Con-

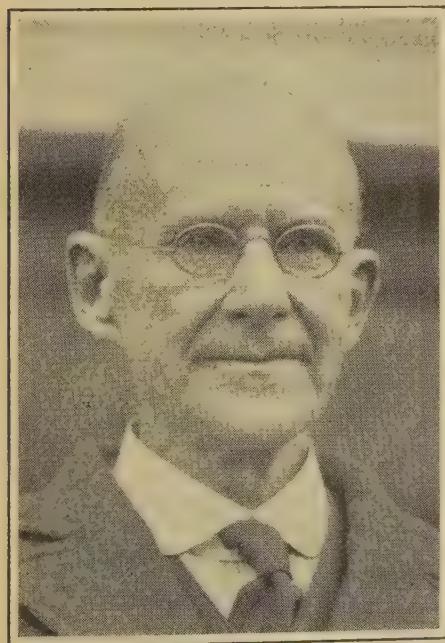
gress to refer the question of war to a referendum of the people. As Congress assembled, the Socialists gathered in an emergency convention at St. Louis and issued their statement opposing the war.

EXTREMISTS WHO DESERTED

Following the adoption of the Socialist anti-war program certain prominent members left the party and associated with the advocates of war. The striking thing about these desertions is that the most conspicuous leaders of the bolting group had been noted for their extreme views. The Socialist movement in all countries has often developed this peculiar psychological type. Its representatives have generally gone over to the most extreme conservative views when some crisis appeared in the movement. Sorel, the French philosopher of revolutionary syndicalism, became an admirer of the Italian monarchy. Briand and Viviani became noted exponents of French imperialism. Hervé, who had urged insurrection against militarism, became one of the most extreme chauvinists and nationalists during the war. A majority of the American leaders who left the Socialist Party had been warm supporters of sabotage, violence and mass action in 1912. Most of them have finally abandoned their Socialist views.

This group made no impression on Socialists in general. The above table shows a marked decline in the membership of the Socialist Party in 1920, but the members who left the party did not join the Social-Democratic League, organized by the bolting group. The league died. So did the National Party, later organized by this group. The dissenting leaders found their way into the American Alliance for Labor and Democracy, inspired by leaders of the American Federation of Labor in Minneapolis, in 1917. As the activities of this organization were largely directed against Socialists and peace advocates in general, it must be considered in any survey of the Socialist movement in the United States.

Samuel Gompers and the leaders of the American Federation of Labor conceived the idea of founding a special organization to aid in the prosecution of the war and to combat all views not consistent with a "knockout" victory. A few years before the World War Mr. Gompers had visited



International

EUGENE V. DEBS

Veteran leader of the American Socialists. He was Socialist candidate for President in 1900, 1904, 1908, 1912 and 1920, the vote he received on the last occasion—919,799—being so far the largest

Europe. He was aware of the forces that were making for war, and upon his return wrote his approval of the anti-war attitude of the organized masses. "They intend to resist stubbornly any reckless heads of State," he wrote, "that may set out to employ them as mere counters in a clash of force over questions which are alien to their own great interest in social justice. On this point, 'the workingman has no country.'" As late as 1916 the American Federation of Labor had also affirmed its "fraternal spirit and world-wide sympathy and kindly regard for the welfare of our fellow-workers regardless of where located or of what nationality." It opposed militarism and military training in the schools, warned against "pseudo-patriotism" and a large standing army, and appointed a committee of five to report on these matters in 1917. On the whole its actions had agreed with the Socialist view on these matters. However, the appointment of this committee was abandoned, and in March representatives of the unions, meeting in Washington, were presented a document declaring full cooperation of the unions with the Government in prosecuting the war if declared.

Certain evidences of dissent within the unions induced Mr. Gompers and his colleagues to found the American Alliance for Labor and Democracy in September at Minneapolis. The deserting Socialist group found a place in this organization. Though homage was paid to freedom of discussion as an abstract principle, the alliance declared that utterances of dissenters that could be construed as obstruction of war aims "should be repressed by the constituted authorities." The abandonment by the American Federation of Labor of what it had stood for and its acquiescence in arbitrary suppression of dissenting opinions, gave the Government authorities a free hand in "controlling thought." Socialists were not alone the victims of this policy. The Department of Justice compiled a long list of "suspects," leading with such names as Jane Addams and including practically every noted man and woman whose views were of the most moderate type. In the intolerant atmosphere that followed not only did Socialists find it difficult to express their opin-

ions, but many others as well. It did not matter that the "Socialist leaders," who were heard so often at that period, were generals without an army. They were accepted by the press and public as speaking for the Socialist movement.

THE "WAR SOCIALIST"

In international relations other handicaps appeared. In all the warring countries the Socialists who still maintained their ideals of international fraternity, were deprived of contact with each other. At the same time the "war Socialists" were patronized by their respective Governments. They were provided with passports and given missions abroad. An example of this was the relation maintained by the American Federation of Labor with William Archibald Appleton, Secretary of the General Federation of Trade Unions of Great Britain. This organization was an insurance society to provide strike benefits for members of unions affiliating with the General Federation. It had no power to formulate policies or to speak for British labor. These functions belonged to the British Trade Union Congress, the Labor Party and their executives. However, Mr. Appleton, a Conservative and for years opposed to the general policies of British labor, was accepted by the British Government as the spokesman of British labor. Mr. Gompers also accepted him in that capacity. In the revised edition of the Webb "History of Trade Unionism," published in 1920, the authors speak of "the resentment at the ever-widening range of subjects at home, on which Mr. Appleton, the Management Committee, and the conferences of the General Federation claimed to voice the feelings of organized labor. * * * It looks as if the General Federation must in future either restrict itself to the limited range of its original purpose, or else run the risk of being financially weakened by the secession of influential trade unions."

With the press and platform barred to the Socialists of this country, they could not get the truth to the people. Official propaganda had the right of way. Illusions were created that had no basis in reality. Mr. Gompers's views appeared to have the support of British labor, while



MORRIS HILLQUIT

Generally regarded as the leading intellectual exponent of American socialism of the school which is opposed to the Gompers policy on the one hand and to Bolshevism on the other

in England the real representatives of labor protested in vain at the usurpation of Mr. Appleton and his colleagues. On international matters British labor was in accord with American Socialists and not with the American Federation of Labor. However, the Socialists were unable to give widespread publicity to the facts, and they suffered in consequence.

The end of the war did not bring peace to the American Socialists. Within the Socialist organization there developed an active minority which believed that the nations were on the eve of revolutionary upheavals that would bring the working people into control of the Governments. This faction was profoundly affected by the Russian revolution, especially its Bolshevik phase. It believed that Russia had provided a technique of revolutionary change that must be adopted by the Socialist and Labor parties and the labor unions of the world. Early in 1919 all the elements of this faction gathered into what was called the Left Wing. It indicted the Socialist Party because it had not urged the masses to follow the Russian example. It brought strife into the organization and

later into many trade unions. The national executive suspended the offending faction pending the meeting of the national convention in Chicago in September, 1919. The convention upheld the executive.

By this time, however, the Left Wing had divided into two wings, which had drifted so far apart that they could not be reconciled. A little over 30,000 members left the Socialist organization, and these were divided between the two wings. This was the beginning of numerous Communist movements. To date no less than sixteen of these organizations, each claiming to be national in scope, have been organized in this country. Space only permits mention of their names. These are: The Left Wing, the Left Wing of the Left Wing, the Communist Party, the Communist Labor Party, the Proletarian Party, the Industrial Communists, the Rummager's League, the United Communist Party, the Committee of the Third International, the Workers' Council, the African Blood Brotherhood, the American Labor Alliance, the Workers' League, the Workers' Party, the United Toilers, and the Federated Farmer-Labor Party. All these organizations have been gathered into one, the last one named, and this has become so reformist and moderate that there is practically no trace of former Communist programs in it. Those who credit the Communists with a million or more members draw upon their imagination. There are not as many organized Communists in the United States today as there were in 1919. According to a report made by a leading Communist to Berlin last April they did not have over 1,500 English-speaking members and the total did not exceed 20,000.

CHAOS CAUSED BY COMMUNISTS

The destruction of the Second International during the war brought perplexities into the Socialist movement, and, as already stated, the American Socialists endeavored to revive it before the war ended. The Socialist Party had been represented in International Socialist congresses and on the International Socialist Bureau. The end of the war revealed that the differences between Socialists of different nations and in each nation had become so acute that there was no hope of an imme-

diate reunion. The intervention of the Russian Communists added to the chaos, and the American Socialists, although furthest from the scene of the war, were the first to be "split." The Russians followed a deliberate policy of dividing the unions and parties. They assumed the position of dictators, and they found partisans in every country. The "twenty-one points" on which a new international must be built, the Russians insisted, were: Acceptance of the "dictatorship of the proletariat" as a supreme necessity in all countries; that members must "at public meetings, in trade unions, in cooperatives * * * brand, not only the bourgeoisie, but also its accomplices, the reformers of all types"; all offices, posts and committees must be occupied by Communists; they must create "a parallel illegal organization"; they must plant "Communist nuclei" in every labor organization and wage relentless war against all opponents; parties must be controlled by "iron discipline" and recognize the authority of Moscow; if accepted in the Communist heaven the affiliated organizations "must from time to time institute cleansings," that is, expel any members whose opinions may have drifted away from some article of Communist faith; parties must change their names and be known as Communist parties; they must adopt Communist programs, but no program could be final until accepted by Moscow.

This amazing insolence was accepted by a sufficient number of partisans in many countries to bring heated controversies into the organized Socialist movement. In this country division after division followed, and the discussions developed into factional animosities. A large majority of the Socialist Party members refused to surrender the autonomy of their organization. The Socialists endeavored to modify the terms of affiliation for all organizations. Failing in this, they declined to continue negotiations, remaining aloof from any international affiliations until they joined the Vienna Union in 1922. But three years of quarreling over this question wrought more havoc in the Socialist organization than the arrests, raids, convictions and intimidations of the war period. More members were lost be-

cause of this quarrel than from any other cause.

The figures already quoted to show the membership of the Socialist Party since 1900 reveal the loss of membership in 1920, one year after this controversy with the Communists began. However, in that year the Socialists observed the first encouraging tendency. In 1919 about 1,000 delegates, in the main representing trade unions, met in Chicago and organized the Labor Party of the United States. Many former Socialist Party members were conspicuous in the convention. The following year the party changed its name to the Farmer-Labor Party and nominated Christensen and Hayes. The Socialist candidate, Eugene V. Debs, was in prison. Socialist organizations in most of the States west of the Mississippi River had been destroyed by persecution. The funds of the Socialist organization were depleted. Although the war psychology still brooded over the nation the combined vote of the two parties was 1,187,816. This was accepted as a considerable achievement in the face of all the obstacles which faced the Socialist organization.

One other factor which contributed to the weakness of organized socialism was the organization and activity of the Nonpartisan League of farmers. Many of the speakers, writers and organizers of the Socialist party accepted assignments with the Nonpartisan League when it became evident that Socialists would have to pay a price for their opposition to the war. On the other hand, experience showed that, although the league accepted President Wilson's war program, its representatives could not escape the animosities of the war period.

SIGNS OF REVIVAL

At the Detroit convention of the Socialists in 1921 a departure was made from their old policy of absolute independence of all other political organizations. The convention instructed the executive of the organization to make a survey of labor organizations and ascertain whether there was any possibility of the organization of a political federation like the British Labor Party in this country. However, this change of policy does not mean that the



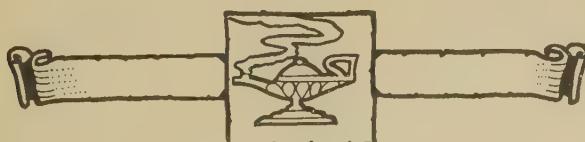
VICTOR L. BERGER

Leader of the Milwaukee (Wis.) Socialists
and the only Socialist Member of Congress

Socialists are committed to the support of fusion or compromise with any parties supporting the present social order. What it means is that the Socialists are willing to join with the Farmer-Labor Party, labor parties organized in a number of States, and such trade unions as may be willing to federate into a national labor party. Should this federation be organized the constituent organizations would remain what they are now and carry on their own

work, but they would unite in the support of labor candidates in the cities, the States and the nation. The initiative taken by the Socialist Party in this matter has led to considerable discussion of the proposal. The Farmer-Labor Party, all the State labor parties and probably twenty national trade unions now favor the proposal. One of the possibilities of the Presidential election in 1924 is the organization of such a national political federation.

In the meantime the organized Socialist movement is slowly recovering from the hostile influences that brought about its decline. Eugene V. Debs made two remarkable tours of the States in 1923 and spoke to the largest audiences that have ever greeted him. These meetings have resulted in the revival of Socialist organizations in many States. Influential representatives of the movement claim that they have every reason to expect a complete restoration of their party membership within a few years. They are confident that the peace that followed the World War, the annexations made under the guise of mandates, the prostration of Europe, the increased armies abroad, the debts, the rebirth of imperialism, the rise of dictators in Europe and the unhappy results in general of the war fully justify Socialist opposition to it. They concede that the cost to the Socialists for their opposition has been a heavy one, but they have no regrets. Moreover, they are confident that their attitude will be more and more appreciated with the passing of the years.



THE ANGLO-AMERICAN PACT AGAINST RUM SMUGGLING

By WAYNE B. WHEELER

General Counsel and Legislative Superintendent, Anti-Saloon
League of America

Two great English-speaking democracies now in alliance against rum smuggling in American waters through Shipping Liquor Treaty—Treaty not in violation of the Eighteenth Amendment

TWO great democracies will be united by the American-British reciprocal treaty in alliance against one of the great foes of democracy—the lawless liquor smuggler. The treaty does not phrase it in that way; neither is this a legal expression of the terms of the new international agreement, but this is its real effect. Under the terms of this agreement Great Britain makes the greatest waiver in history of her jealously guarded sea rights. She agrees that the United States may search vessels of British registry beyond the three-mile limit, which is recognized expressly in the treaty as the furthest boundary of territorial waters. She concedes the right of the United States to bring such vessels, flying the British flag, within our territorial waters for proceedings according to the law.

Great Britain allows the United States to search vessels of British registry suspected of smuggling intoxicating liquors when they are beyond the three-mile limit. Such vessels may be searched if brought within our territorial waters for legal proceedings if there is reasonable cause to believe that the vessel has committed an offense against our laws, is actually in commission of such an offense, or is attempting to commit one. One hour's sailing distance from the coast, measured by the speed of the suspected vessel, is fixed as the limit within which this right of search is recognized.

Where a British vessel has suffered loss or injury through an unreasonable or im-

proper exercise of the rights of search conferred under the treaty, claims for compensation are to be referred to a joint commission. Intoxicating liquors carried as sea stores or destined for a port beyond the United States are exempted from penalty or forfeiture under our laws, provided that they are kept under seal continuously while the vessel is in our territorial waters. Such liquors are not to be unladen at any time within United States territory.

The term of the treaty is fixed at one year from the date of exchange of ratification. Modification may be suggested by either party three months before the expiration of the year. If no agreement is reached on a proposed modification, the treaty will lapse. Otherwise it will continue from year to year, each party to the treaty having an equal right at any time to propose modifications. If either party is prevented by judicial decision or legislative action from giving full effect to its provisions, the treaty shall lapse. On termination of the treaty each party is to enjoy all the rights possessed had the treaty not been concluded.

The United States has apparently been committed to recognition of the three-mile limit by the recent decision of the United States Supreme Court in the case of the Cunard Steamship Company *vs.* Mellon where the Court said:

It is now settled *in* the United States and recognized elsewhere that the territory subject to its jurisdiction includes the land areas under its dominion and control, the

ports, harbors, bays and other enclosed arms of the sea along its coast and a marginal belt of the sea extending from the coast line outward a marine league or three geographical miles.

By this decision of the United States Supreme Court we are committed to the three-mile policy as a nation and cannot change it by our own action. An extension of our jurisdiction beyond the three-mile limit might be provided by an act of Congress and enforced in our own courts, but the Government would be placed in a difficult position before the bar of an international tribunal if it defended the enactment of such a statute after the Supreme Court had declared that the Government recognized the three-mile limit as the extent of our territorial waters.

QUESTION OF "SEALED LIQUORS"

The validity of the treaty has been challenged on only one ground—the provision permitting British vessels to bring intoxicating beverages into our waters under seal. The Eighteenth Amendment provides,

among other things, that the "transportation of intoxicating liquors within, the importation thereof into * * * the United States and all territory subject to the jurisdiction thereof for beverage purposes is hereby prohibited."

The supporters of the treaty defend the provisions which permit the transportation of liquors under seal within our territorial waters on the ground that such sealed liquors are not being transported or imported within the jurisdiction of the United States "for beverage purposes" and therefore are not in violation of the Eighteenth Amendment. The decision of the United States Supreme Court in the Cunard cases passed upon a different set of facts. The regulations under which those cases arose permitted the withdrawal of sealed liquors for beverage use in our territorial waters. This was prohibited by the Constitution and the Volstead act, and the court so held. Under the provisions of the treaty, liquor aboard foreign vessels must be kept under seal and cannot be withdrawn while the vessel remains within the jurisdiction of the United States. This does not conflict



Wide World Photos

Boats which had been used as rum runners, captured and confiscated, being inspected by prospective buyers outside the New York Barge Office before being sold by auction

with the Constitution, but with the Volstead act, which makes no provision for the possession or transportation of liquors as sea stores on foreign ships, and forbids all possession or transportation except as provided in that act. The terms of the treaty would, in this respect, modify the Volstead act. It is well settled that a treaty provision may modify the terms of a statute. The second theory upon which the treaty may be upheld is based upon the exemption made in the National Prohibition act relating to liquors in transit through the Panama Canal or upon the Panama Railroad. The Supreme Court decisions in two cases involving this exemption give no indication that such exemption was, in its judgment, in violation of the Eighteenth Amendment.

ADVANTAGES TO THE UNITED STATES

The United States will gain certain advantages by this treaty. It will extend the distance within which our vessels may operate against liquor smugglers. This will force the so-called rum fleet to keep at a greater distance from our coast. It will increase the distance to be covered by the boats communicating with the shore. It will add to the probability of capture of

such boats, multiply their hazards from weather and render such work more costly.

The right of search will be broadened by the treaty. Our officers at present are limited to seizures in cases when the vessel is caught in the act. Reasonable cause for belief that the vessel has been smuggling or is attempting to smuggle liquors into this country will be sufficient for search and seizure under the treaty.

A precedent will be established for the conclusion of other liquor treaties extending the three-mile limit, thus removing the embarrassment of Federal officers concerning their authority to make seizures beyond the three-mile limit under the "hovering" statutes. This will make possible better enforcement of the law.

The evils which arose from the former regulation, which allowed use of liquor carried as sea stores within our ports, will be minimized under the treaty, since such use will be prohibited while the vessels are in our territorial waters.

If this plan to secure the cooperation of the greatest maritime power of the world in our efforts to curb rum smuggling is not successful, or if the terms of the treaty are not observed, provision is made for its prompt amendment or termination.

TEXT OF ANGLO-AMERICAN SHIP LIQUOR TREATY

THE text of the liquor treaty between the United States and Great Britain, which was signed on Jan. 23, 1924, reads as follows:

ARTICLE I.—The high contracting parties declare that it is their firm intention to uphold the principle that three marine miles extending from the coastline outward, and measured from low water mark, constitute the proper limits of territorial waters.

ARTICLE II.—(1) His Britannic Majesty agrees that he will raise no objection to the boarding of private vessels under the British flag outside the limits of territorial waters by authorities of the United States, its territories or possessions, in order that inquiries may be addressed to those on board and an examination be made of the ship's papers for the purpose of ascertaining whether the vessel or those on board are endeavoring to import or have imported alcoholic beverages into the United States, its territories or possessions, in violation of the laws there in force. When such inquiries and examination show a reasonable ground for suspicion, a search of the vessel may be initiated.

(2) If there is reasonable cause for belief that the vessel has committed, or is committing or attempting to commit, an offense against the laws of the United States, its territories or possessions, prohibiting the importation of alcoholic beverages, the vessel may be seized and taken into a port of the United States, its territories or possessions for adjudication in accordance with such laws.

(3) The rights conferred by the article shall not be exercised at a greater distance from the coast of the United States, its territories or possessions, than can be traversed in one hour by the vessel suspected of endeavoring to commit the offense. In cases, however, in which the liquor is intended to be conveyed to the United States, its territories or possessions, by a vessel other than the one boarded and searched it shall be the speed of such other vessel and not the speed of the vessel boarded which shall determine the distance from the coast at which the right under this article can be exercised.

ARTICLE III.—No penalty or forfeiture under the laws of the United States shall be applicable or attach to alcoholic liquors or to vessels or persons by reason of the carriage of such liquors when such liquors are listed as sea stores or cargo destined for a port foreign to the United States * * * provided that such liquors shall be kept under seal continuously while the vessel on which they are carried remains within said territorial waters, and that no part of such liquors shall at any time or place be unladen within the United States, its territories or possessions.

ARTICLE IV.—Any claim by a British vessel for compensation on the ground that it has suffered loss or injury through the improper or unreasonable exercise of the rights conferred by Article II. of this treaty, or on the ground that it has not been given the benefit of Article III., shall be referred for the joint consideration of two persons, one of whom shall be nominated by each of the contracting parties.

CANADA'S LEADERS IN SCIENCE AND RESEARCH

By J. MURRAY CLARK

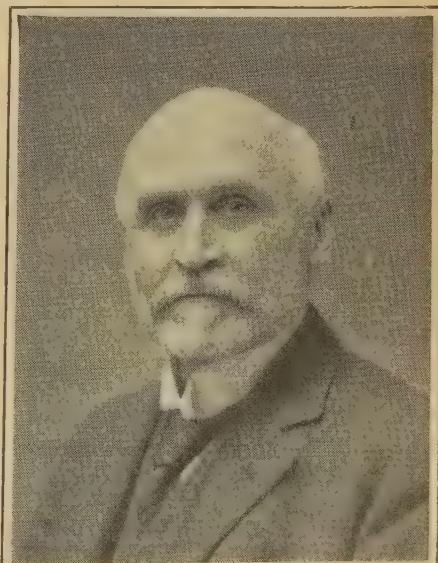
The writer of this article is one of the most distinguished lawyers and scholars of Canada. He is a Doctor of Laws and King's Counsel, with a high reputation as an authority on international law. He has also been a lifelong student of science and has been President of the Royal Canadian Institute, the most important learned society of the Dominion. Recently Dr. Clark was elected a Fellow of the Royal Society of Arts of Great Britain

Twelve representative scientists who have given Canada a high place in modern scientific activity—Research work in relation to industry—The men who brought about the discovery of insulin

SINCE the war there has developed in Canada an intellectual life comparable in certain respects with the trial Research, founded at the Royal Institute's suggestion by the Canadian Government, is also doing great service along this line. Elizabeth's England shone forth in the fields of literary, philosophical and artistic achievement, whereas in Canada today there is this difference—the genius of

In view of the intense activity of Canadian science, it becomes a matter of interest to know who the men are who have

Canadian science centres around two Canadian universities—the University of Toronto and McGill University. It was a Toronto man—Dr. Banting—who discovered insulin. His collaborator was a Toronto professor, Dr. J. J. R. Macleod. At Toronto, also, is the internationally famous physical laboratory, created by Professor McLennan; while at McGill, where Sir Auckland Geddes, until recently British Ambassador to the United States, was once Professor of Anatomy, Macallum and Ruttan quietly further the researches from which he was called by more spectacular duties. The Royal Canadian Institute, founded three-quarters of a century ago, meanwhile acts as a catalytic agent in stimulating the scientists of the Dominion to



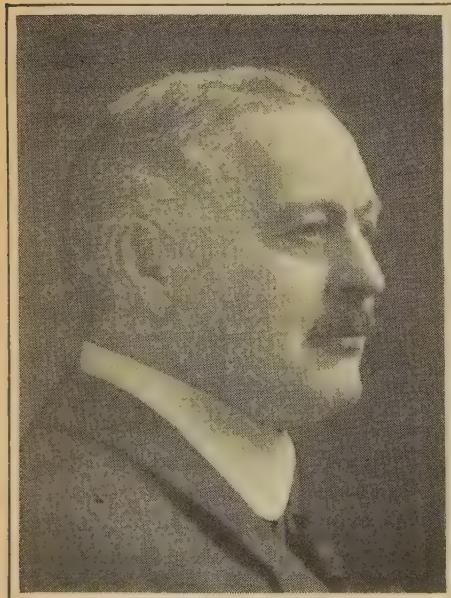
J. MURRAY CLARK

A former President of the Royal Canadian Institute and a well-known international lawyer

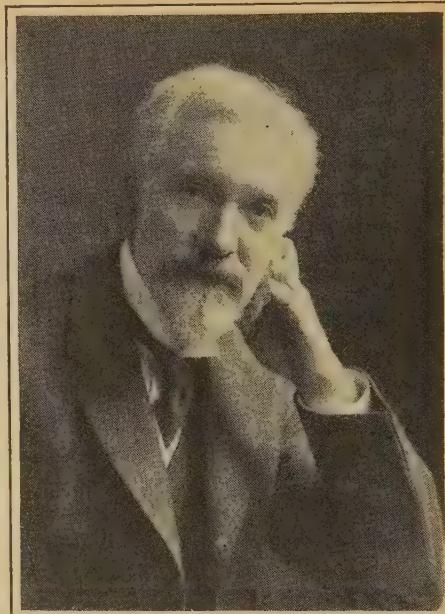
taken the lead in helping Canada to perform her share of the work of the world in the field of natural research. The names of Banting and Macleod have overshadowed all others; it is not amiss to name a few of the others. In choosing twelve leaders of research it must not be thought that Canada's more distinguished scientists are limited to that number, or that these twelve are necessarily the most important. The names chosen are, on the whole, the most representative of the various branches of scientific activity now being carried on in the Dominion; taken together, their achievements provide an accurate indication of the character and extent of Canadian research work.

PROFESSOR J. C. MCLENNAN

ONE of the ex-Presidents of the Royal Canadian Institute, of whose brilliant record the members have good reason to be proud, is Professor J. C. McLennan, head of the Physics Department of the University of Toronto. His training at the University of Toronto, and subsequently at Cambridge, enabled him to build up a department of physics and a laboratory in the Physics Building of the University of Toronto, both of which have international



PROFESSOR J. C. MCLENNAN
Head of the Physics Department, University of Toronto



A. B. MACALLUM
Professor of Biochemistry, McGill University, Montreal

reputations. His researches, especially in helium, are well known. Before the end of the war he became scientific adviser to the British Admiralty. A notable dispatch by the British authorities to the University of Toronto highly commended his valuable services.

PROFESSOR A. B. MACALLUM

THE prestige and influence of the Canadian Institute were markedly enhanced during the memorable Presidency of Dr. Macallum, a graduate of Toronto University, now Professor of Biochemistry at McGill University, Montreal. Space will not permit of a full catalogue of the honors conferred upon Professor Macallum by universities and learned societies. One can only mention his fellowship of the Royal Society, the Ph. D. of Johns Hopkins, and honorary degrees from Yale, Dublin, Aberdeen, McGill and Toronto. He is also an honorary fellow of the College of Physicians of Philadelphia, the oldest medical society of America, and of the Royal Philosophical Society (Glasgow). He was President of the American Society of Biological Chemists and of the Physiological Section of the British Association; the first

Administrative Chairman (1916-20) of the Research Council of Canada, instituted by the Government of Canada; and the first visiting lecturer of the Rockefeller Foundation to the Union Medical College at Pekin. Dr. Macallum's special research work may be described as follows: The microchemistry of cells, animal and vegetable, in which the foundation was laid of a knowledge of the inorganic chemistry of living matter, the rôle of surface tension in vital phenomena, and the origin of the inorganic relations of the blood plasma from the composition of the ancient oceans of geological time. Professor Macallum has left the strong impress of his personality upon medical education, his work having been highly eulogized by Sir William Osler.

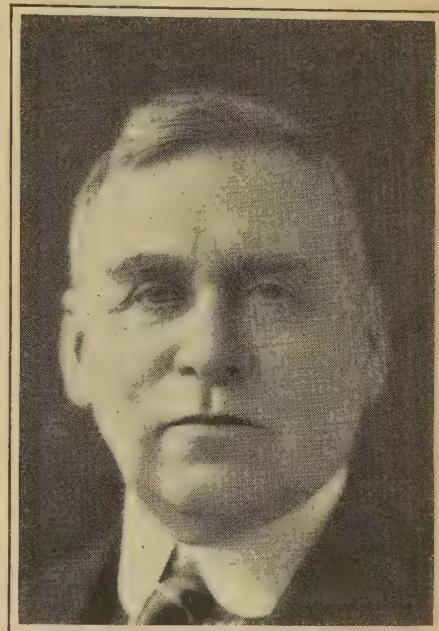
PROFESSOR A. S. EVE

TO emphasize the view of a competent authority that physics is the fundamental science at present, two physicists have been included. Dr. McLennan has just been mentioned. The other is Dr. A. S. Eve, Macdonald Professor of Physics at McGill University. Space does not permit a full account of his researches, especially in radioactivity and ionization. He did important war work. At Cambridge he was a wrangler and won the first class in the science tripos. He continues brilliantly to uphold the highest traditions of Cambridge.

PROFESSOR J. C. FIELDS

SEVENTY-FIVE years ago the Canadian Institute (now the Royal Canadian Institute) was founded to promote research. An eminent mathematician, Professor J. C. Fields, is now President. Dr. Fields was prepared for his university career at the Hamilton Collegiate Institute, and won the gold medal in mathematics at the University of Toronto. He took post-graduate work at Johns Hopkins, where he received the degree of Ph. D. Subsequently he studied for seven years in Europe. Dr. Fields has made notable contributions to the theory of algebraic functions, which were rewarded in 1913 by the fellowship of the Royal Society—the blue ribbon of the British scientific world. Under his leadership the Royal Canadian Institute is a potent factor in the intellectual life of

Canada, and it was largely owing to his energy and resource that the meeting of the American Association for the Advancement of Science in Toronto in 1921 was a conspicuous success. Dr. Fields is at present busied on organizing work in connection



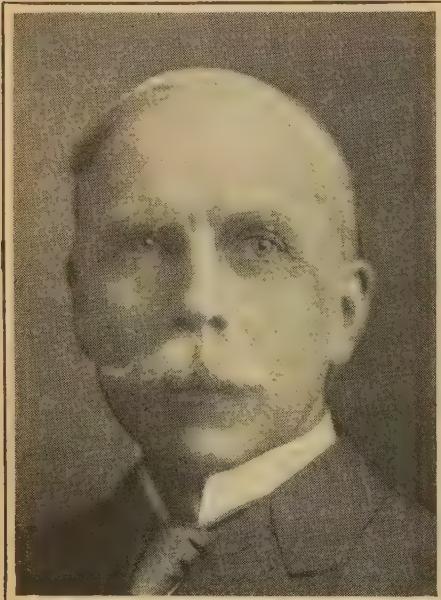
PROFESSOR J. C. FIELDS
President of the Royal Canadian Institute

with the International Mathematical Congress, which will hold its session in Toronto in August, 1924, and also in connection with the British Association for the Advancement of Science, which will meet in Toronto about the same time. The members of the American Association for the Advancement of Science have been invited to attend the meeting of the British Association in Toronto.

DEAN F. D. ADAMS

THERE are many eminent geologists in Canada, but at the risk of passing over several ex-Presidents of the Royal Canadian Institute I have chosen Professor F. D. Adams, Logan Professor of Geology at McGill University, as one of the most representative. The official report of the famous exhibition of 1851 in London pro-

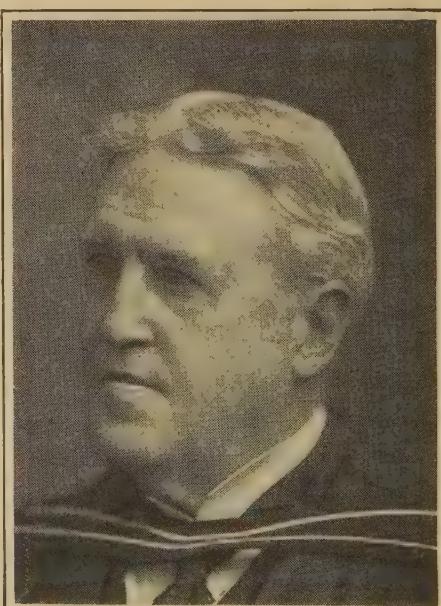
PROFESSOR R. F. RUTTAN



FRANK D. ADAMS
Logan Professor of Geology, McGill University, Montreal

nounced the collection sent by Canada as "superior; so far as the mineral kingdom is concerned to all countries that have forwarded their products to the exhibition." This collection was credited at the time to Sir William E. Logan, the eminent geologist, who, a few years thereafter, explained that his object was to "convince the world that Canada contained in her subsoil vast stores of mineral materials that would hereafter become available for the support of native industry." Several of the developments which have completely vindicated Sir William Logan have been carried out by engineers trained by Dean Adams. One of these, Dr. C. V. Corless, has in various addresses given excellent accounts of the famous Canadian pre-Cambrian mineral formation or shield, and many thousand copies of these addresses have been distributed and are being studied intensively, especially in the United States and England. By developing in Ontario two small parts of the mineral formation described by Dr. Corless, Canada has already achieved the third place as a producer of gold. Besides gold, it contains "vast stores" of other "economic minerals."

DR. RUTTAN, Director of Chemistry in McGill University, received his arts education at Toronto and his medical education at McGill. This was followed by post-graduate studies in Europe. He has been prominently identified with research work, and has developed a very strong graduate school of research in chemistry at McGill. He himself has done important research work along the lines of organic and biological chemistry. The results appear in many important papers, and in his textbook, which is a standard work. Dr. Ruttan has been prominently identified from the very beginning with the Honorary Advisory Council for Scientific and Industrial Research, founded by the Canadian Government at the instance of the Royal Canadian Institute and others interested in the application of science to industry. He has been highly honored in Canada, the United States and Europe, and is a member of a large number of American and European scientific societies, including the American Association of Biological Chemists. He was Chairman of the sixth annual convention of Canadian Chemists, in Toronto, May 29-31, 1923. Professor Rut-

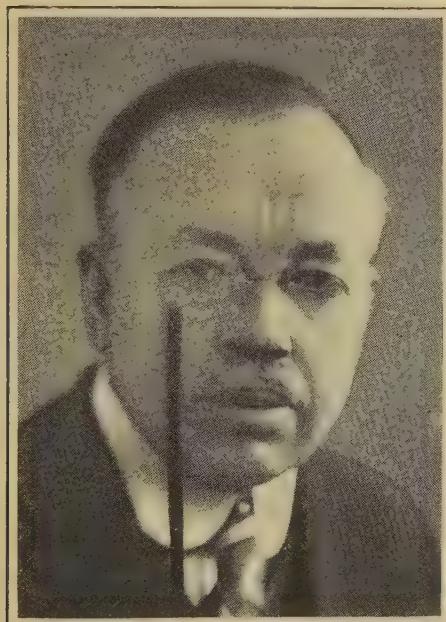


DR. R. F. RUTTAN
Director of Chemistry, McGill University, Montreal

tan was one of the founders of the International Research Council, established at Brussels in 1919. His influence has been widespread, and he has taken a prominent part in the development of industrial research in Canada.

J. S. PLASKETT

DR. PLASKETT, before studying at the University of Toronto, worked with the Edison Electric Company at Schenectady and Sherbrooke. He was the founder and since its foundation has been the Director of the Dominion Astrophysical



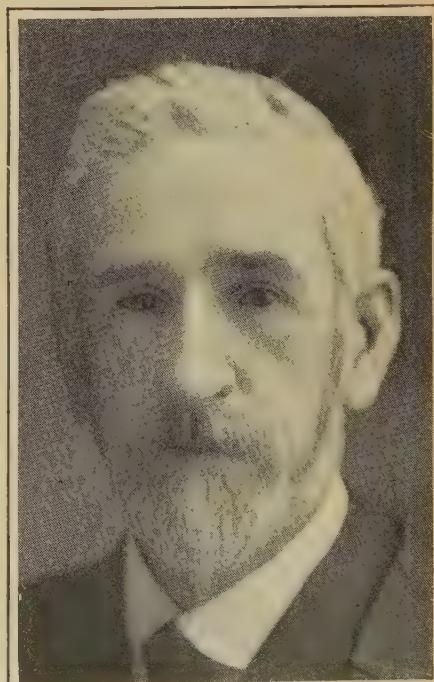
DR. J. S. PLASKETT
Director of the Dominion Astrophysical Observatory of Canada, Victoria, B. C.

Observatory at Victoria, B. C.; and he succeeded in having placed therein what was at the time the largest reflecting telescope in the world, by the use of which he has made himself famous. He is the discoverer of the Star 6 1309, which was named after him "Plaskett." This star is four times more massive than any previously known. "It consists of two enormous suns at a temperature of 30,000 degrees Fahrenheit, of diameters 20 and 18 times that of the sun, of masses 85 and 72 times the solar mass, and of brightness 15,000 and

12,500 times that of our sun, revolving around one another at a separation of 55,000,000 miles in a period of 14,414 days. This system is distant from us a light journey of 10,000 years, and is by far the brightest and most massive known." Dr. Plaskett's work has been recognized by the University of Toronto, which made him Doctor of Science in June, 1923, and by the fellowship of the Royal Society.

PROFESSOR J. P. McMURRICH

MR. JAMES PLAYFAIR McMURRICH, Professor of Anatomy in the University of Toronto, was Chairman of the Board of Graduate Studies, and on the formation of the School of Graduate Studies was appointed dean. He was President of the American Association for the Advancement of Science in 1922, and at various times has been President of other important bodies, including the American Association of Anatomists. He is a Fellow of the Royal Microscopical Society and a member of the International Deep-Sea



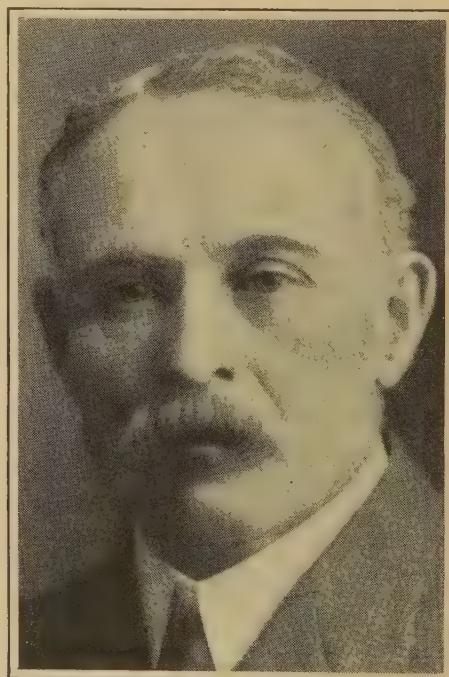
J. P. McMURRICH
Professor of Anatomy, University of Toronto, and a former President of the American Association for the Advancement of Science

Fisheries investigation. He is an M. A. of the University of Toronto, a Ph. D. of Johns Hopkins, and an LL. D. of Michigan and Cincinnati. He has done much for research, and, with two others, worthily represented Canada at the Pan-Pacific Scientific Congress. His scholarly Presidential address at Cincinnati made a profound impression on all who heard of it.

CHARLES E. SAUNDERS

IF Dr. Saunders, for twenty years Cerealist of the Dominion Government, had done no more than to create and perfect Marquis wheat, he would deserve well of humanity; but he did much more, not only for wheat, but also for oats and barley. He rendered essential service to Canada, and benefited the farmers of the United States to the extent of many millions of dollars. All this was accomplished by research involving the application of science to industry. Dr. Saunders is a graduate of the University of Toronto and a Ph. D. of Johns Hopkins. His career illustrates once again the proverbial in-

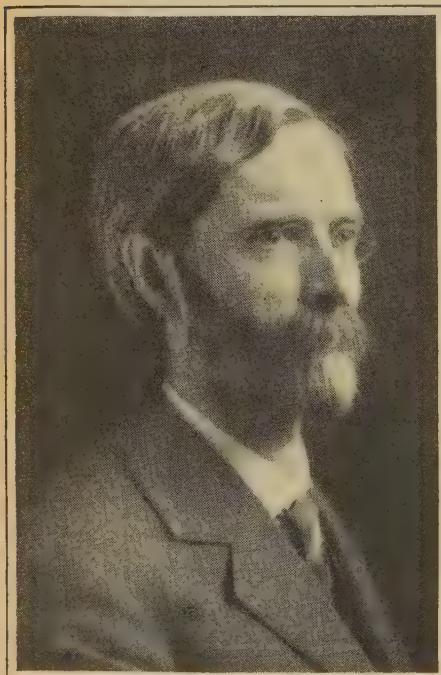
gratitude of democracies (to which there are exceptions of the kind which prove the rule). Although Dr. Saunders had added many millions to the wealth of the Canadian farmers, he received only a beggarly pittance, miscalled a salary. It is lamentable that the farmers on both sides of the line have been deprived of most of the benefits conferred on them by Dr. Saunders and of those, even greater, conferred on them by a beneficent Providence, by excessive taxation, and by what has been described as "the rain of law"—not "the reign of law."



SIR FREDERICK STUPART
Director of the Meteorological Service of
Canada

SIR FREDERICK STUPART

WHATEVER doubt there may be as to whether meteorology is yet a science, no one can question the fact that Sir Frederick Stupart, Director of the Meteorological Service of Canada and of the Magnetic Observatory, has applied to its problems scientific methods and scientific ability of a high order. His reputation extends beyond the boundaries of Canada, and he was elected a member of the International



CHARLES E. SAUNDERS
Cerealist of the Dominion Government

Meteorological Committee. He was President of the Royal Astronomical Society of Canada and later of the Royal Canadian Institute. He was in charge of the chief station established for the study of the navigation of Hudson Strait, and for his public services was knighted. His researches have extended beyond his special subject, and he has demonstrated that the extraordinary water powers possessed by Canada are, for geographical and meteorological reasons, never-failing.

PROFESSOR F. G. BANTING

DR. BANTING, the illustrious discoverer of insulin, owing to a certain resolution of the Canadian Parliament, cannot be made a Lord, like Lister, nor even a plain Knight, like Sir Isaac Newton, but Canadians have made him a prince among medical men. The Canadian Parliament voted him a life annuity. The Ontario Legislature passed "the Banting and Best Medical Research act," and, with the funds so provided, the University of Toronto appointed Dr. Banting Professor of Medical Research. C. H. Best, who had been the first to collaborate with Banting, was appointed Director of the Insulin Division of the Connaught Laboratories. These laboratories, whose beneficent activities in war and in peace, under the skillful direction of Dr. Fitzgerald and his associates, are well known to medical men, belong to the University of Toronto, but owe their foundation to the generosity and foresight of Colonel A. E. Gooderham, afterward Chairman of the committee appointed to control the manufacture and distribution of insulin. Dr. Banting acknowledged the value of the medical and scientific training he received at the University of Toronto; but, without the stimulus to his passion for healing and for research, received in the war, his genius might never have developed. At the same time he has been most generous in his acknowledgments to his instructors, to his associates and to the conditions which rendered his researches possible. The atmosphere of research was largely the result of the work of the Royal Canadian Institute, but there was much more than their general work; the Royal Canadian Institute brought many leaders to Toronto, including Dr. Hale, then head



P. & A.

DR. F. G. BANTING
Professor of Medical Research, University of Toronto; best known as the discoverer of insulin

of the National Research Council of the United States. In Toronto Dr. Hale addressed not only the institute, but also the members of the Legislature. Among those who heard Dr. Hale's powerful plea for research was Dr. H. J. Cody, then Minister of Education, who had given much thought to the questions involved. Being a man of vision, Dr. Cody appreciated the vital importance to the nation of research, and, having not only vision but also statesmanship, proceeded to convert his appreciation into positive action. The result was that, on the recommendation of Dr. Cody, approved by the Ontario Government, of which he was a member, the Legislature voted \$75,000 per annum to the University of Toronto for purposes of research. Only part of the \$75,000 so voted was used in the insulin researches, as part was used in the helium researches. This action, however, was useful directly, and indirectly gave such an impetus to the movement for research that the conditions described by Dr. Banting were made possi-

ble. The visit of Dr. Hale, therefore, had far-reaching consequences, as also had the visits of other men of science who came to Toronto, often at considerable sacrifice, to assist in the campaign of the Royal Canadian Institute.

Another illustration of Dr. Banting's chivalry is that, when the Nobel Prize was conferred on him and Professor Macleod, under whose direction much of the research work was carried on, Banting immediately divided his half of the prize with Best. Macleod divided his half with Dr. J. B. Collip, Professor of Biochemistry in the University of Alberta. It is interesting to note that Dr. H. M. Tory, President of the University of Alberta, is now Administrative Chairman of the National Council of Research.

PROFESSOR J. J. R. MACLEOD

WHEN the problems involved in the therapeutic use of insulin were ripe for solution, Professor Macleod, one of the most eminent authorities on metabolism, was head of the Department of Physiology in the University of Toronto. For his great opportunity he was thoroughly prepared, and was able to arrange for the teamwork which insured brilliant success in applying the epoch-making conception of Banting. Much has already been written about insulin. A book could be written on the romance of its development. A full account of the honorable part played by Macleod cannot be compressed into an article. It must suffice to say that his work was fittingly honored by the fellow-



J. J. R. MACLEOD

Professor of Physiology, University of Toronto, who has played an important part in developing insulin as a cure for diabetes

ship of the Royal Society and by the Nobel trustees. Professor Macleod is Vice President of the Royal Canadian Institute, and was invited to deliver the Cameron lectures at the University of Edinburgh. The University of Toronto conferred on Banting and Macleod the degree of Doctor of Science. Their work on insulin and that of those associated with them have resulted in a great contribution to medical science and in great benefit to humanity.



THE CRUSADE TO SAVE CRIPPLED CHILDREN

By W. R. COMINGS

Thousands of maimed and deformed children given a better chance in life since the initiation of Edgar F. Allen's work—The growth of hospitals for juvenile cripples in the last ten years

ASURPRISING movement has within the last ten years rescued thousands of crippled children, placed them on their feet and insured their happiness for life. What has been achieved is well illustrated by the story of Alva Bunker, who was born in poverty in a rented room in an alley in Toledo, Ohio. The child came as an added misfortune to his family, for he had neither hands nor feet, merely stumps of limbs. Childhood and boyhood were chapters of misery. For him there was no playground, no park, no school, no pleasure of any kind. After a time some one fastened skate wheels to a board and lying upon this the boy could move laboriously about the little yard and alley. Other boys took little interest in him. Neighbors, such as they were, thought him mentally as well as physically deficient. Not till he was 15 was he "discovered" by any humanitarian.

The day came when the Rotary Club of the city surveyed the homes of Toledo and vicinity in a search for crippled children who might be aided by being sent to a crippled children's hospital. Alva was found, taken to a conference and there manifested more mental alertness than it was supposed he possessed. After much correspondence a specialist hospital at Detroit received him, provided him with a special wheel chair, fitted him with artificial hands and feet and gave him a place in its school. He explored, learned and won a medal for best progress in studies. When he could use his new feet with some ease he visited his mother. He was proud of his 5 feet 11 as he walked to her door,

but she did not recognize him, so wonderfully had the boy been transformed. Within five years from the day he was taken to the hospital he was given a place as assistant to the superintendent of a crippled children's hospital at Port Huron, Mich. He learned to drive the hospital car and to make himself generally useful.

This is but one of many interesting cases cared for by the Toledo Rotary Club. Most of those placed in hospitals needed to have deformed legs straightened, club feet made normal, crooked spines given a natural curve, wry necks released, crossed eyes set true, all sorts of deformities overcome. But how is it that this club of business men, who met weekly to "boost" the city and promote business while incidentally they enjoyed a lunch and frolic, should turn aside to engage in remaking these little derelicts cast upon an unsympathetic sea of human selfishness?

A little more than fifteen years ago, on Memorial Day, a wreck on a trolley line at Elyria, Ohio, caused the death of sixteen passengers and sent half a hundred others to a small local hospital in an old residence. The lack of adequate facilities caused the death of a number, among them Homer Allen, a high school boy, son of Edgar F. Allen, a business man of Cleveland, but a resident of Elyria. The utter inadequacy of the hospital to meet any emergency, its incompleteness even for ordinary conditions, greatly impressed Mr. Allen. It did more; it caused him to resolve to give up his million-dollar business and devote his energies, time and money to ameliorating suffering. He

headed an organization to provide Elyria with a hospital that would meet all present and future needs. Large, fine grounds were purchased, and a modern hospital, costing \$100,000, was built. He gave liberally himself, besides proving himself a splendid solicitor. The town was rapidly growing from a beautiful village to a manufacturing city, and five additional units to the hospital have been built. Today the outlay represents \$1,000,000. Mr. Allen assumed the general management without salary, and when the monthly balance showed a deficit he made it up from his own pocket.

CRIPPLED CHILDREN'S HOSPITALS

About ten years ago a local physician remarked casually that something ought to be done for the crippled children of the city. Mr. Allen thereupon investigated and found that the United States possessed only three crippled children's hospitals, one at Canton, Mass.; one at Haverstown, N. Y., and a third at St. Paul, Minn. He learned all he could of the work being done, but he doubted whether there were enough cripples in Elyria or in the county to justify the erection of a hospital exclusively for them. Investigation, however, soon brought to light twenty young cripples in the city and more than 200 in the county. Mr. Allen's interest grew, and he employed at his own expense a capable woman to survey several nearby cities. He found there was one cripple to every 500 of the population. He has since found through surveys in many large cities that there is a crippled child for every 400 of the population. This would indicate no less than 325,000 in the whole country. Soon after the county survey was made Mr. Allen presented his findings to the Hospital Board of Elyria and urged the building of a crippled children's hospital, to be placed upon the ample grounds of Memorial Hospital. The request was a distinct surprise and it was doubted if the community could at that time add this unit, but so great was the confidence in Mr. Allen that he was told to proceed with the scheme, if he could raise the money. A single donor gave \$25,000 as a memorial to her husband, W. N. Gates. In this way the Gates Children's Hospital was founded.

During the ten years of its existence the hospital has cared for more than 1,400 little sufferers. It provides beds for forty and then overflows into the larger hospital near by. It has always been well filled. Crippled children are brought to it from all parts of the State and from many other States. After the establishment of the Gates Hospital Mr. Allen visited many other cities, and, through his personal efforts, wards for crippled children were established in hospitals in Cleveland, Youngstown, Akron, Toledo, Columbus, Dayton, Cincinnati and Zanesville. But he soon discovered that to make the work successful, that is to get the children most needing help into the hospitals, much individual work must be done. Parents hesitated about accepting charity, doubted if anything could be done, or for other reasons lacked the needed initiative. Quite generally they objected to sending a child a long distance from home. It required the personal interest of some one to bring the child out of his environment.

Soon after the end of the war the Rotary Club of Elyria decided to honor the fallen heroes of the city by planting trees in the park-like grounds of Memorial Hospital. They were mostly placed near the Children's Hospital. Mr. Allen came out to assist them. After the planting was completed he invited the committee in to see the children, and told the personal story of many of the inmates. He showed the committee photographs of children taken before and after operation. This led to Mr. Allen being invited to speak before the club at its next meeting, when he told them of the great difficulty of finding any one to take an interest in the children, to get them to the hospitals, to see that they were properly educated while there, and to follow them till they were able to go to work and see that they had such work as was suited to their individual capabilities. "We need an organization in this city to do this work," was Mr. Allen's appeal, which met with an instant response. At the next meeting a committee was named to accompany Mr. Allen to other Rotary Clubs and induce them to take up the work locally. The Edgar Allen idea spread like wildfire. At a State meeting of fifty Rotaries an assessment of \$5 for each member in



EDGAR F. ALLEN

Founder of the Memorial Hospital and the Gates Hospital for Crippled Children at Elyria, Ohio, and leader of the crusade among the Rotary Clubs for aid to crippled children

the State was voted to carry on the work and to send missionaries to Rotaries of other States and to secure needed legislation in Ohio. Legislation was secured that provided for the payment of the expenses of children in the hospitals and their education while there, and later, if needed, and the good work of the Ohio hospitals was so broadcast that the Rotaries of New York, Pennsylvania, Michigan, Illinois, Tennessee, Kentucky and Ontario became well organized, while in many other States they are now considering what they can do.

PREVENTION OF DEPENDENCY

It is a part of Mr. Allen's doctrine that cripples should not be dependents upon the community for support, even though their crippled condition can be but partly corrected. Incidentally his findings are that 90 per cent. of the crippled children are or will become cases of dependency unless they are rescued. "It is good public policy to avoid this," he says. "It is good business to turn a liability into an asset. A

normal child has an economic value of \$7,000. Not every cripple can be given this value, but it is worth much to make him self-supporting."

The Edgar Allen idea of local rather than large State or regional hospitals is based upon the economy of the small hospital or ward. They should be in connection with large hospitals to secure the advantage of trained nurses, good medical attendance, nearness to the children's homes and the avoidance of red tape. The academic and industrial education with a vocational turn adapted to the child's possibilities after leaving the hospital has developed wonderfully in some of the cities. It is found advisable to establish day schools for their special benefit in the larger cities. Cleveland has 138 such children in day schools and is preparing for 250 more now on the waiting list. Cincinnati has 120, Toledo 125, Akron 37, with 90 on the waiting list, and so on through a long list of smaller cities. What a contrast this picture presents to that of European cities, where begging cripples line the streets! Not all children can be discharged from the hospitals fully cured or normal, but none is accepted unless he can be benefited. To make the work more effective Mr. Allen is now stressing the need of convalescent homes to relieve the hospitals after operations and to provide better educational facilities and more homelike surroundings.

Mr. Allen now gives his entire time, without compensation, to the children's hospitals and their organization and to visiting them and seeing to the comfort of the little people. He responds to calls for information or aid from all parts of the country. The Secretary of the Crippled Children's Committee of Tennessee said of him: "I would rather do the work Edgar Allen is doing than be President of the United States. He will have more to his credit, and more men to stand up and call him blessed than any man now living." In his work he seeks neither the aid of newspapers nor notoriety through their columns. He finds a field that needs to be worked and "digs in," while the Rotary Clubs seek legislation to provide the means for the maintenance of the children in hospitals and to provide the personal touch

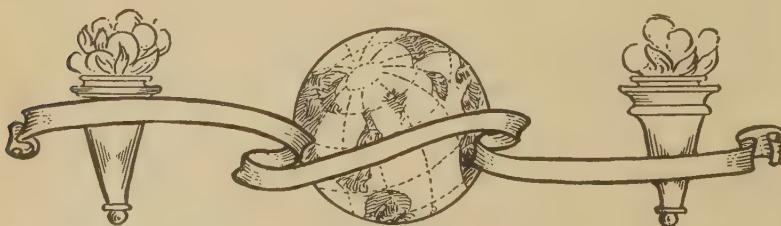
and interest that bring the crippled child to needed help and to a self-supporting education.

The International Society for Crippled Children held its last meeting at Detroit on Feb. 19 and 20, 1924. There were present over 200 delegates from State and provincial organizations subsidiary to the International. They came from Ohio, Ontario, Pennsylvania, Tennessee, Virginia, West Virginia, New Jersey, Michigan, Kentucky, Illinois and California. Several other States are taking steps to effect organization. Among them are Maine, North Carolina and several to the west of the Mississippi River. There are States like Indiana that have taken up the work along different lines. The International will cooperate with rather than antagonize all such. But the members believe with Mr. Allen that local work with personal interest is better for the children and more satisfactory to parents.

Everywhere under the Allen movement the Rotaries have been "the voice crying in the wilderness," stirring into activity altruistic impulses. In some cases the State organizations are made up of all kinds of supporters—Rotarians, Kiwanians, parent-teachers' clubs, civic and fraternal organizations—any who would join in this humanitarian work. In every hospital or convalescent home where the handicapped are being treated there is recog-

nized the "hospital cheer" beaming from the smiling faces of the children who have entered into a new life and are treated in their studies, games and muscle-training exercises precisely as other children are. Competition is rife. It is a new life to them and they enjoy it. They radiate and absorb happiness. Many cities are sending these children from their homes to special schools by bus. They are carried through the conventional academic and pre-vocational studies and arts in the grades. In the high schools systematic vocational guidance and work are taken up, with a view to fitting them for self-support. The Federal Government aids in this by making it supplementary to that given the heroes of the World War.

As there will always be at least three cripples to every thousand of the population—that ratio is now accepted—there will always be work along this line. To give it stability, to care for children in States that will not act, or are unable to carry the burden, a movement has been started to create an Edgar Allen Foundation that will be continental in its scope. The central office at Elyria, Ohio, is the clearing house for information about State or other aid and for methods of educational activity. Boston has a training school for teachers of crippled children, and Ypsilanti is proposing to establish one with such children as pupils.



CONFEDERATE FORCES IN THE CIVIL WAR

By ARTHUR H. JENNINGS

Historian-in-Chief, Sons of Confederate Veterans, Richmond, Va.

Evidence to show that the active fighting strength of the South never exceeded 600,000—Inability to arm and equip 1,500,000 men, even if that number had been available

AT this time, when the memory of the Washington Conference for the Limitation of Armament still lingers, it is of interest to note that 3,200,000 men are still enrolled in the active military forces of Europe, not including the large numbers of native North African troops in the service of France or the man power of the Turkish Army.

Of the European countries France has the largest proportion of her population under arms, as her active army, comprising the Metropolitan and Colonial forces, has altogether 698,000 men, representing a little less than $1\frac{3}{4}$ per cent. of her total population. In addition, France has her native colonial troops referred to above, but not here taken into consideration. Russia's army, the most recent figures for which total approximately 600,000, constitutes slightly more than four-tenths of 1 per cent. of the present population. Great Britain has 165,000 men in her active army, thirty-five-hundredths of 1 per cent. of her population. Poland, Rumania, Spain and Czechoslovakia have about 1 per cent. of their respective populations in active service, or a total of 830,000 men.

These percentages seem large, but we should not forget that we enrolled some 4 per cent. of our population in our armies during the World War. The estimates of the armed forces of Europe today are interesting in themselves, but they are peculiarly interesting to Southerners, in whose memory still echoes the bugle call of 1861, for they bring up again the old controversy still being waged between spokesmen of both North and South over the question of just what proportion of

the population of the eleven secession States was actually enrolled in the fighting forces of the Confederates.

To any student of this question, it is at once apparent that this proportion, for both the army of the North and that of the South, was enormously greater than obtains today in any country of Europe, not excepting France. In the war between the States, the North enrolled some 2,500,000 men from her total military population of 4,500,000 native whites between the ages of 18 and 45, constituting a little less than 11 per cent. of her total population. (In addition, the North had 186,000 negroes and 494,000 immigrants in her armies, but these do not enter into our calculations in this article.) The Southern armies enrolled some 600,000 men out of a military population of 1,100,000. About 25 per cent. of the men of military age, viz., some 1,100,000 in the North and some 275,000 in the South, were unfit for duty. For various reasons, about 200,000 of the military population of the South, aside from those physically unfit, were exempt or failed to serve, while about 1,000,000 men of the North, besides those unfit physically, escaped military service. It is interesting to note that at this period the percentages of unfit in military population were 32 per cent. in France and 33 per cent. in Great Britain.

Considerable question has been raised of late regarding the accuracy of the figures which set the fighting forces of the South at 600,000 effectives in the Civil War. During the war, when the question of numbers was a burning issue, Mr. Lincoln settled it in his own characteristic

manner by saying: "Whenever one of my Generals engages a rebel army he reports that he has encountered a force of twice his strength. We have half a million men, so the rebels must have a million." Another version of this Lincoln story is: "I have 1,000,000 men in the field and whenever one of my Generals gets whipped down in Virginia he always says the rebels had three men to his one. Yes, sir, I have 1,000,000 men in the field and Jeff Davis has 3,000,000." These figures, given in jest, are about as reasonable as those of some calculators who try to make it appear that the number of Confederate enlistments ran close to 2,000,000.

ESTIMATES OF SOUTHERN STRENGTH

Students of census statistics have laid down the rule that "in all countries, except newly settled territories, the males included in the military ages ranging from 18 to 45 constitute one-fifth of the population." The United States Census of 1860 gave the white population of the eleven seceding States as 5,448,000, of whom some 200,000 were foreign born, the foreign element being most numerous in Louisiana, where it numbered 80,603 in a white population of 277,000. On this basis the South's military population at the outbreak of the Civil War was 1,089,000. Deducting 25 per cent. of this number as physically unfit, the number of available men is reduced to approximately 800,000. If the number of men absolutely necessary for various important duties outside of active army service, and those who were professionally exempt (physicians, clergymen, millers and pharmacists), the estimate of 600,000 effectives seems quite liberal. During the war the military population of the South was, to be sure, increased by youths passing the age of 18, but their numbers, largely balanced off by other conditions, scarcely make it worth while to consider them in this article. Fully 11 per cent. of the South's total white population bore arms.

General Marcus J. Wright, agent of the War Department in the collection and compilation of Confederate records, in a statement made Sept. 9, 1891, said: "We know of but one official statement of the

forces of the Confederate Army ever made. This was the report of General S. Cooper, Adjutant and Inspector General, made March 1, 1862. The total of the Confederate forces as reported by him at that date, including armed and organized militia, was 340,250, a grand total, including both officers and men. I think it probable that the Confederate Government had more troops at that date than at any time during the war. The best estimate that has been made of the total number of Confederate troops during the war is from 600,000 to 700,000." (Vol. XIX., Southern Historical Papers.)

The same result will be obtained if we follow another line of approach. The military forces of the Confederacy at the end of the Civil War are accounted for by authoritative sources as follows:

Confederate prisoners at close of war.	98,000
Total surrendered, 1865.....	174,223
Killed and died of wounds.....	74,508
Died in prison.....	26,439
Died of disease.....	59,277
Died of other causes.....	40,000
Discharged	57,411
Deserters	83,372

Total 613,230

In further support of this estimate of Confederate numbers I may mention an article published in The New York Tribune of June 26, 1867, and written by The Tribune's Washington correspondent. This article says: "Among the documents to fall into our hands at the close of the war are the returns, very nearly complete, of the Confederate armies from their organization in the Summer of 1861 to the Spring of 1865. These returns have been carefully analyzed and I am enabled to furnish the returns in every department and for almost every month from these official sources. We judge in all 600,000 men were in the Confederate ranks during the war." (Page 48, Vol. XXXII. of Southern Historical Papers.)

According to Vol. IV. of "Battles and Leaders," page 768, the numbers enrolled, both absent and present, were as follows each year:

January, 1862.....	318,011
January, 1863.....	465,584
January, 1864.....	472,781
January, 1865.....	439,675

If the Confederates did have the larger number of troops attributed to them, we should be told where these men operated and wherewith they were clothed, fed and armed. It is inconceivable that the Confederate Government sent into the field any large number of men without arms in their hands, although that did occasionally happen. Dr. Randolph H. McKim states that he acted as Adjutant of the Third Brigade, A. N. V., in the Gettysburg campaign, and that in the third year of the war, in the best equipped army the South had, out of 1,941 men in his brigade only 1,480 had muskets; that is, almost one-fourth were unarmed. Surely if the South had had as many troops as some writers state, a very large number would have been left behind in Virginia, for Lee invaded Pennsylvania with less than 100,000 men, and from the large number left behind he would have taken arms sufficient to equip the men of the invading force. The South was poorly prepared to arm and equip men; it could not possibly have done so for a large force composed of a million and a half or two million men. The larger part of her equipment, at times, was captured from the enemy.

STRENGTH OF LEE'S ARMIES

But if these supposed large forces could have been clothed and armed, where did they operate? When Lee went into Pennsylvania and fought at Gettysburg, his army of Northern Virginia was about at the peak as regards numbers and efficiency. He then had less than 100,000 men, and some estimates place the number as low as 62,000. It is fair to assume that the number did not exceed 80,000. When Lee first invaded Maryland his army numbered only about 40,000 men. Some claim 10,000 more, but the stronger evidence places his army at between 35,000 and 40,000 men. Lee and Jackson had 80,000 men when they drove McClellan back to the James River through the battles of Savage Station, Frazier's Farm and Malvern Hill. It is safe to assert that Lee never had in his superb Army of Northern Virginia—"that incomparable body of infantry," as Horace Greeley called it—as many as 100,000 men at one time. Speaking of the comparative forces of Lee and Grant

in the wonderful campaign which included the battles of the Wilderness, Spottsylvania and Cold Harbor, Mr. Swinton, a New York newspaper correspondent, constantly with the Army of the Potomac, on page 491 of his history, states: "Grant's loss in the series of actions from the Wilderness to Chickahominy reached the enormous total of 60,000 men put hors de combat—a number greater than the entire strength of Lee's army at the opening of the campaign."

The Western armies could not have been overly large, or Lee's small force would not have been depleted to send them reinforcements. If there had been three times the actual number of Confederate soldiers, why did Lee always fight with such small numbers? It may be contended that the authorities who assert the correctness of the 600,000 estimate of men in the Confederate Armies interlock,—that one quotes from another and in the end all go back to one or two original sources whose statements may be called arbitrary. If we admit this, solely for argument's sake, there remains the indisputable fact that this "arbitrary" statement is based upon the deadly law of averages and upon the basic fact that by the official census taken by the United States in 1860, the total white population of the eleven Confederate States was 5,448,000 white persons. The law of averages shows a total military population of 1,089,000. This military population was decreased as Federal forces gained possession of more and more Confederate territory, but it was increased as youths gained the age of 18, while those who passed 45 were largely retained in the service, so that these differences make little change in our calculations and may be ignored. This same law of averages shows that the number of unfit, about 25 per cent. of the total, reduced the number of available men to 825,000. With the necessary exemptions of members of the professions and those needed in essential industries, the estimate of 600,000 as the total number of men who served with the Armies of the Confederacy from its beginning to the cessation of hostilities, can well be considered reasonably accurate.

JAPAN'S REDUCTION IN NAVAL ARMAMENT

By K. K. KAWAKAMI

Washington correspondent of the Tokio Nichi Nichi and Osaka Mainichi; author of "The Real Japanese Question," "Japan's Pacific Policy" and many articles on Japan's international relations

Japan observing spirit as well as letter of Washington Naval Treaty—Placed in inferior position by voluntary reduction in building of auxiliary vessels—America inferior in light cruisers

ACCORDING to the naval treaty of Washington, which became effective on Aug. 7, 1923, vessels to be scrapped should be rendered "incapable of further warlike service" within six months of that date, the scrapping to be completed within eighteen months thereafter. On Feb. 16, 1924, the last day of the prescribed period of six months for the completion of the first stage of scrapping, the Japanese Navy announced that the treaty requirements effective that day had been fulfilled.

Japan's capital ships thus rendered incapable of warlike service are the Hizen, Mikasa, Kashima, Katori, Satsuma, Aki, Settsu, Ikoma, Ibuki and Kurama. In addition six capital ships, for which keels had been laid before the Washington conference, are to be scrapped. These are the Amagi, Akagi, Kaga, Tosa, Takao and Atago. Japan also abandoned the project for eight additional dreadnaughts which had been included in the 8-8 program, but which had not been laid down.

The initial work of scrapping, which Japan had completed before Feb. 16, consisted of the removal of (1) all guns and essential portions thereof, fire-control tops and revolving parts of all barbettes and turrets; (2) all machinery for working hydraulic or electric mountings; (3) all fire-control instruments and range finders; (4) all ammunition, explosives and mines; (5) all torpedoes, war-heads and torpedo tubes; (6) all wireless telegraphy installations; (7) the conning tower and all side armor, or alternatively all main propelling

machinery, and (8) all landing and taking-off platforms and all other aviation accessories.

The elimination of so many ships involved a corresponding reduction in naval personnel. During the last year the Japanese Navy retired 949 officers, 415 warrant officers and 2,400 petty officers, and discharged 8,500 men, a total of 12,264, constituting some 16 per cent. of the previous strength of approximately 77,100 officers and men.

As far as capital ships are concerned Japan has observed both the letter and spirit of the naval treaty. Equally, perhaps more important, is the revision of Japan's building program for auxiliary combatant ships, made in view of the new naval situation created by the Washington treaty.

Before the Washington conference Japan's building program, commonly known as the 8-8 program, called for the construction of 26 cruisers, 94 destroyers and 93 submarines in the eight years from 1920 to 1927, inclusive. Of these projected ships, 17 cruisers, 57 destroyers and 47 submarines had already been built or were under construction when the conference was called, while 9 cruisers, 37 destroyers and 46 submarines were still to be built. Had Japan proceeded after the Washington conference to build all these ships her position would have been irreproachable technically, as the naval treaty placed no restriction upon the number of auxiliary ships to be built by the powers, except such restrictions as that no cruiser should

exceed 10,000 tons. But the spirit of the conference and of the naval treaty certainly put the signatory powers under moral obligation to desist from any measure which might tend to create a new rivalry in naval armament.

JAPAN'S NEW PROGRAM

In deference to that spirit Japan greatly modified that part of the original building program which remained unexecuted at the conclusion of the Washington treaty. The modified program calls for 8 cruisers, instead of the original 9; 24 destroyers, instead of the original 37, and 22 submarines, instead of the original 46. From this it appears that 1 cruiser, 13 destroyers and 24 submarines have been eliminated from the original plan. The reduction amounts to 13,395 tons, although the eight cruisers to be built are of a larger type than those originally planned.

In spite of this considerable curtailment in the building program, the estimated expenditures under the new plan do not seem much smaller than those under the old plan. This is to be explained by the fact that, owing to higher prices of materials and higher wages, building expenditures under the new plan are computed on the basis of a 90 per cent. increase over pre-war costs, whereas building expenditures under the old plan were based on an estimated increase of only 20 per cent. The following table gives a comparison of the old and new estimates for building expenditures:

Year	Old Estimates	New Estimates
1923.....	\$73,706,551	\$58,131,239
1924.....	73,895,100	55,000,000
1925.....	71,629,209	55,000,000
1926.....	56,846,428	42,500,000
1927.....	57,688,677	35,527,000

What will be the relative strength of the British, American and Japanese fleets of auxiliary combatant ships when the Japanese building program is completed at the end of 1927? As far as capital ships are concerned, the ratio is fixed by the treaty at 5-5-3. Our interest, therefore, centres in the ratio of auxiliary fleets, consisting of cruisers, destroyers and submarines. At this time it is difficult, almost impossible, to estimate such ratio at the end of 1927,

because neither the United States nor Great Britain has decided upon a new building program. The American Navy has been building in accordance with the 1916 program, which is to be completed at the end of 1924. The British Navy is in a somewhat similar position. The United States contemplates building light cruisers of 10,000 tons each. The only question is how far Congress will permit the navy to go in this respect. The British Labor Government, it should be said at this point, has called for bids for the construction of five cruisers.

COMPARATIVE STRENGTH IN 1927

The comparative strength of the British, United States and Japanese Navies at the end of 1927 is shown in a set of statistics prepared by Rear Admiral Nomura, who was one of the Japanese experts at the Washington conference and who now occupies an important position in the Navy Department at Tokio. He eliminates from his tables all cruisers older than seventeen years and all destroyers and submarines older than twelve years, on the ground that the original American proposal at the Washington conference called for replacement of light cruisers, destroyers and submarines over that age. With these explanations the Rear Admiral gives the following three tables:

CRUISERS			
	Year	Number	Tonnage
U. S.....	1923	23	182,625
	1928	10	75,000
Britain.....	1923	50	259,670
	1928	55	299,830
Japan.....	1923	25	148,170
	1928	28	171,055

DESTROYERS			
	Year	Number	Tonnage
U. S.....	1923	317	367,388
	1928	280	334,921
Britain.....	1923	200	234,960
	1928	201	238,720
Japan.....	1923	100	77,653
	1928	92	104,980

SUBMARINES			
	Year	Number	Tonnage
U. S.....	1923	133	77,322
	1928	121	84,900
Britain.....	1923	68	58,540
	1928	76	68,370
Japan.....	1923	37	24,377
	1928	67	68,536

The tables show that the United States Navy is comparatively deficient in cruisers. At the end of 1927, unless the United States builds new ships, the cruiser strength of Great Britain and Japan, as compared with that of the United States, will respectively be 3.9 and 2.2. In other words, Great Britain's cruiser tonnage will be almost four times as large as the United States, while Japan will have a cruiser tonnage more than twice that of the United States.

On the other hand, the American Navy is comparatively strong in destroyers and submarines. Thus the ratio of cruisers and destroyers combined at the end of 1927 will be 1 for the United States, 1.27 for Great Britain and 0.66 for Japan. Add submarines, and the ratio becomes still more favorable to the United States. It is, however, unthinkable that the United States

will rest content with her inferior cruiser strength, and it is taken for granted that she soon will launch a new building program.

The weak spot in the armor of the Japanese Navy is in its destroyer and submarine fleets. The weakness is the greater, because Japan has no adequate facilities for building these auxiliary craft on short notice in the event of an emergency. On the other hand, Great Britain and America abound in establishments which are in time of peace engaged in the production of articles of ordinary commerce, but which can readily be converted to the production of destroyers and submarines. It is, therefore, futile to attempt to establish a ratio of such craft as between Japan and the United States. A ratio estimated on the basis of fixed peace-time programs can be upset overnight to Japan's disadvantage.



NEW REPARATION PLANS

By WILLIAM MACDONALD

Formerly Professor of History at Brown University.

Progress of the experts' committees in devising a settlement of the Franco-German difficulty—Cost of the Ruhr occupation

PUBLIC interest in France and in other countries in the settlement of the reparations issue was materially affected, throughout the period under review, by uneasiness over the decline of the franc and by prolonged and often heated debates in the French Chamber of Deputies over proposed financial reforms. Numerous forecasts, some of them apparently authoritative, of the proposals to be made by the committee of experts were published, but it was announced on March 10 that the reports, the submission of which had been looked for by March 15, would not be ready before March 25. Few labor disturbances occurred in the occupied territory and the railway controversy at Cologne was adjusted; the Separatist movement, on the other hand, which in the middle of February seemed to be approaching settlement, assumed a new and disquieting importance.

The McKenna committee of experts (Committee No. 2) completed its inquiry in Berlin regarding the German budget and on Feb. 9 returned to Paris, where it was shortly joined by Committee No. 1, which had remained in Berlin to hear representatives of the trade unions and the German Agrarian League. Sir William Ackworth and M. Leverve, who had been asked to make a technical study of the German railways, reported on Feb. 23 that the railways, if administered as a unit with increased fares and the discharge of unnecessary employees, could earn annually a net profit of 800,000,000 gold marks. According to the Paris correspondent of The New York Times, it was the intention of the Dawes committee to use the railways as the basis of a plan for financing the payment of reparations in kind over a two or three years' mora-

torium, the earnings to be mortgaged for a loan of 2,000,000,000 gold marks.

Public opinion in France and Germany showed in general increasing confidence in the work of the experts and a disposition to accept their recommendations. Though M. Poincaré in his public statements reiterated the intention of France to occupy the Ruhr until payment of reparations was assured, this was offset by strong political pressure from the Senate, where the Left parties were in control, and by a vigorous attack upon the Government policy by M. Briand on Feb. 24 in a speech at Carcassonne. Foreign Minister Stresemann on Feb. 28 paid a tribute in the Reichstag to the work of the experts, and leading bank officials announced their approval of the proposed gold bank. The proposed outside control of the German railways, on the other hand, aroused resentment in Germany, and toward the end of the period under review there were intimations of opposition to this and other features of the recommendations on the part of leading industrials. An Associated Press dispatch from Paris on March 13 stated that it was the general belief that the large loan which had just been made by American bankers to the French Government in aid of the franc had been conditioned upon the acceptance of the experts' findings by M. Poincaré. A bill authorizing a gold discount bank was adopted by the Reichstag just before its dissolution on March 13.

M. de Lasteyrie, the French Minister of Finances, stated in the Chamber of Deputies on Feb. 14 that the cost of the Ruhr occupation had been 863,000,000 francs, of which 664,000,000 were for the forces in the Ruhr and Rhineland. The receipts exceeded 1,000,000,000 francs in kind and

360,000,000 in taxes uncollected but assured, or a surplus of 500,000,000 for the year 1923. Almost all the receipts, he added, had been paid to France and not to the Reparation Commission. A balance sheet prepared by the Belgian Government showed a net yield from the occupation, to the end of January, of 1,600,000,000 Belgian francs, with Belgian army costs of less than 40,000,000 francs. The deliveries of coal from the Ruhr in 1923 aggregated 171,000,000 Belgian francs.

Though the publication early in March of letters exchanged on Feb. 21 and 25 between M. Poincaré and Ramsay MacDonald showed that fundamental differences of view still obtained between the two Prime Ministers, the British note created a favorable impression in France regarding the attitude of the British Government, and with the French reply was regarded in some quarters as suggesting the possibility of a new international conference to deal with all the questions at issue under the Versailles Treaty. Herr Stresemann, speaking in the Reichstag on March 6, declared that the German people agreed with the Fatherland Union in demanding a repudiation of the treaty. The resignation of the Belgian Cabinet on Feb. 27, interpreted in opposition circles in France as a reflection upon the Franco-Belgian policy in the Ruhr, was apparently without effect upon the relations between the two countries or upon the discussion of a Franco-British entente.

The only serious outbreak of disorder reported from the occupied territory, except in connection with the Separatist agitation, was occasioned by the discharge on March 7 of some 20,000 dye workers at Ludwigshafen and Oppau for refusal to accept a nine-hour day. The rioting which followed was suppressed by French troops.

SEPARATISM IN THE RHINELAND

At the beginning of the period under review the Separatist movement, which for months had been agitating the Rhineland, seemed about to dwindle to unimportance. The public buildings at Mayence were evacuated by the Separatists on Feb. 9, the old functionaries entering as the Separatists withdrew, and similar restoration of the old order was reported from Wiesbaden, Worms, Bingen and Trèves. Three

days later, however, one of the most serious outbreaks of vengeance since the Separatist agitation began occurred at Pirmasens, in the Southern Palatinate, where a crowd of infuriated workers stormed the Bezirksamt (offices of the State authorities), which the Separatists still held, killing twenty persons, fifteen of them Separatists, and seriously wounding some thirty others, of whom fifteen were Separatists. The body of Herr Schwab, the Separatist dictator, who had been particularly detested, was horribly mutilated. At Kaiserslautern, on Feb. 13, there was serious fighting between the Separatists and the townspeople, in the course of which French Moroccan troops fired upon the populace.

A commission of inquiry appointed by the Interallied Rhineland High Commission, by agreement between the British and French Governments, arrived at Speyer on Feb. 14. A New York Times correspondent reported a German authority as stating that definite assurances that an end was to be put to the Separatist régime had been given, but that a return to former conditions could not be hurried. The Separatist authorities, meantime, prevented the printing of a warning against violence issued by the commission, and continued to occupy the Regierung Building, while armed Separatist forces paraded the streets. A provisional directorate under Dr. Bayersdorfer, Acting President of the Palatinate Kreistag, was created on the 17th, whereupon the Autonomous Government lowered its flag and surrendered the public buildings. It was reported on Feb. 20, however, that the Separatist aggressors in various parts of the Palatinate were being guaranteed immunity by the French, while persons who attacked the Separatists were being arrested, and that hostages were being taken by the French at Pirmasens, Landau and Lauterrecken for the safety of Separatists. A circular issued on March 10 by Herr Kunz, a former Separatist and leader of the Rhineland Workers' Party, declaring that the party had been formed after the liquidation of the Autonomous Party "to satisfy the wishes of the workers," was interpreted at Ludwigshafen as a warning of a new "putsch" on the lines of Separatism.

WORLD HISTORY

(Continued from Page 6)

of Representatives (Feb. 29) with considerable changes both in the rates and the administrative features. Representative Garner brought in a rival Democratic plan, which was superseded by the Longworth compromise measure. On this question the radical insurgent Republicans joined with the "stand-patters" against the Democrats. The House thereby reduced the surtax on large incomes to 37 1-2 per cent. Income tax returns of individuals may be inspected by committees of Congress; and the income tax returns of corporations may be inspected by any State Government concerned. A new graduated tax on gifts above \$50,000 was introduced and inheritance taxes were raised.

As it became evident that the tax bill could not be enacted previous to March 15, the day for the returns of the taxes of 1923, President Coolidge proposed an immediate joint resolution reducing by 25 per cent. the taxes on incomes of 1923; but neither House took action.

BUSINESS AND TRANSPORTATION

The general scale of wages, profits and the cost of living show no marked variation. The population seems fully employed. The general cost of living has been estimated to be about 3 per cent. higher than two years ago. About \$12,000,000,000 of new life insurance was written in 1923. Heavy bankruptcies have been few. Receivers were appointed (March 8) for various steamship companies directed by C. W. Morse; and the Virginia-Carolina Chemical Company and a subsidiary corporation have also gone into receivership.

Price-fixing has been charged against various corporations, particularly in the milling and baking industry. The New York Telephone Company is asking for an increase of rates to give an additional income of \$7,000,000. Chairman Thompson of the Federal Trade Commission (March 7) predicted a panic if price-fixing does not cease. The Department of Agriculture is investigating the merger of a num-

ber of packing companies into the concern of Armour & Co.

The low condition of farmers shows little improvement. Export wheat has been reduced apparently to about 20,000,000 bushels. The Farm Bloc in Congress is greatly interested in the question of the production of fertilizers, in a higher tariff on food products, and in more banking relief. Senator Capper, unofficial head of the Farm Bloc, declared (Feb. 26) that the farmers' crops sell for \$7,500,000,000; the middlemen get \$15,000,000,000 for transferring them to the consumer, who pays \$22,500,000,000. He urged cooperative sales and diversified production.

President Coolidge used his authority under the flexible section of the existing tariff for an increase of the duty on imported wheat. The Norbeck-Burris bill, proposing a loan of \$75,000,000 by the Government to help the farmers buy fertilizers, was voted down by the Senate.

The railroads pointed to the fact that without redistricting they have recently been carrying the heaviest freight traffic ever known. Henry Ford's railroad shows a net operating income of \$1,800,000, which is about 16 per cent. of the business. The Supreme Court made a decision (March 3) which prevents the New York Central Railroad from absorbing the Chicago Junction Railway. The transcontinental roads asked the Interstate Commerce Commission to approve a reduction of rates to the Pacific from all points west of Indiana. This was opposed by steamship companies and also by Eastern railroads and Chambers of Commerce, on the ground that such a reduction would give an undue preference to Western manufacturers. A recent report on the Panama Canal (March 2) showed an increase in 1923 over the previous year of 90 per cent. in tonnage and 83 per cent. in tolls collected.

An advance of 25 per cent. in shipping rates to British ports was announced on March 1. Secretary Wallace at once protested, declaring that such a rise would

diminish the price that the farmers could get for export wheat.

In aviation the chief event of the month was the departure from Los Angeles, on March 17, of a fleet of three army service airships on a round-the-world route, about 39,000 miles in all, crossing twenty-two countries. A fourth machine, which was disabled, will follow later, it was announced. It has been definitely announced that the Navy Department will not send the Shenandoah to the polar regions.

FOREIGN RELATIONS

Appeals have been made by several organizations against the pending Turkish treaty. Secretary Hughes (Feb. 8) in a public letter protested against the provision in the Johnson Immigration bill which prohibits the immigration of Japanese. "The Japanese are a sensitive people and would undoubtedly regard such an enactment as fixing a stigma upon them," he declared. On March 13 the Senate ratified the treaty with Great Britain providing for the seizure of British vessels carrying liquor within an hour's steaming distance of shore.

THE AMERICAN PEOPLE

Numerous seizures of large amounts of drugs have been made on incoming steamers, particularly the Italian steamer Colombo and the British steamer Orduna. Convicts in Pittsburgh (Feb. 11) tried to dynamite the prison wall, and killed two guards in their attempt to escape. Several young men, masquerading in women's clothes, have been arrested in connection with hold-ups in New York.

An extraordinary situation in Herrin, Ill., has continued ever since a small civil war between the Wets and Drys culminated in the murder of two officials early in February. Glenn Young, certain members of the Ku Klux Klan and Prohibition Agent Simons seem to have taken over the local Government. State troops were called out and (Feb. 9) martial law was proclaimed by State authorities.

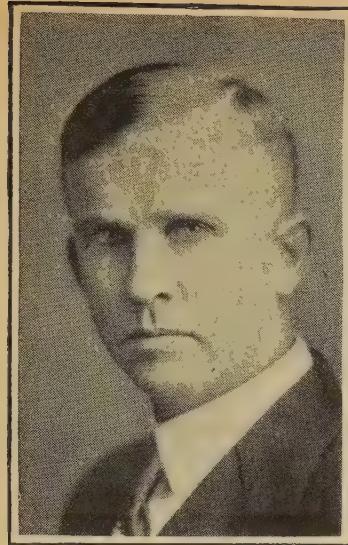
It was announced from Atlanta (Feb. 12) that "Emperor" William Joseph Simons, founder of the present Ku Klux

Klan, had sold out his business to Superior Wizard Evans; it was understood that all rival litigation was to be discontinued.

Arthur J. Davis of Boston has been appointed to take the place of William H. Anderson, former executive of the New York State Anti-Saloon League, now under sentence for forgery. The attempt under General Smedley E. Butler to clean up Philadelphia has not yet been completely successful. Attorney General Daugherty announced (Feb. 15) that in four years 115,000 liquor cases had been handled by the United States Courts, and that fines amounting to \$16,000,000 had been levied. The sea trade still goes on, affording the people of the United States the amazing spectacle of a string of liquor vessels just outside the three-mile limit of New York Harbor and another just off Cape Ann. The violence of the contest is shown by the severe and almost fatal wounding of United States Senator Greene of Vermont (Feb. 15) on Pennsylvania Avenue, Washington, by a bullet intended for bootleggers fired by a prohibition agent.

It was officially announced (March 6) that Archbishop Hayes of New York and Archbishop Mundelein of Chicago had been summoned to Rome to receive the Cardinal's Red Hat. The "battle of the creeds" continues. Former Bishop Brown of the Episcopal Church in Arkansas is to be tried for heresy. He publicly declared that, "though I do not believe in the existence of a conscious God, I am not godless." The Interchurch World Movement of North America, which in 1919 began an attempt to raise \$1,500,000,000 for religious propaganda, has wound up its activities.

The New York City schools are still in a turmoil with many charges of efforts to appoint and continue teachers for political reasons. The Board of Regents of the University of Texas has voted that "no infidel, atheist or agnostic be employed in any capacity in the University of Texas." Various universities are looking toward a limitation of the numbers that can be received. Harvard College gave notice (March 4) that no more than 1,000 students will be admitted into any future freshman class.



CHARLES W. HACKETT

MEXICO AND CENTRAL AMERICA

By CHARLES W. HACKETT

Associate Professor of History, University of Texas

The subsidence of the Mexican revolt—Mexican labor again militant—United States severs diplomatic relations with Honduras, rent by triangular civil war—Americans to help Nicaragua in holding elections—Marines to be withdrawn

THE outstanding developments in Mexico since early February include the disintegration of the organized rebellion, resort to guerrilla warfare by the rebels, recurrent manifestations of industrial unrest which the revolution quickened, resurgence of interest in internal matters suspended by the revolution, and significant events affecting Mexico's international status.

The collapse of the revolution was threatened by the disastrous rebel defeat in January at Esperanza, followed by the Federal reoccupation of Vera Cruz on Feb. 11. It was hastened by the crushing defeat of General Salvador at Ocotlan [Feb. 9] and that of Generals Estrada and Dieguez at Pénjamo [Feb. 12]. After that Federal control was quickly re-established in the States of Michoacan, Guanajuato, Jalisco and Colima. General Alvarado escaped on a steamer and Generals Estrada and Dieguez by March 4 had abandoned the field and had ordered their forces to disperse.

In other areas the Federal troops met with like success. General Calles declared on March 5 that only three armed bands of rebels remained in the Durango region. Federal forces reoccupied the important oil port of Tuxpam on Feb. 26 and Jalapa, capital of Vera Cruz, on Feb. 28. General Cavazos with a large rebel force in Hidalgo was reported on March 9 to be negotiating terms of surrender. In the States of Mexico, Morelos and Guerrero, General Figue-

roa with a large rebel force was active as late as March 8. At that date Federal forces were ready to embark at Manzanillo for attacks on Acapulco and Salina Cruz. In Southern Mexico, between Feb. 28 and March 4, the rebels evacuated Puerto Mexico, Alvarado and Oaxaca City. The rebels were then in control of practically all of Southeastern Mexico.

A pro-peace convention, representing twenty-seven Chambers of Commerce, met in Monterey on Feb. 26 and passed resolutions favoring general amnesty for all rebels. President Obregon rebuked the convention and advised that no agreement was possible "except unconditional surrender of disloyal troops." During the first week in March over twenty rebel Generals surrendered to the Federal Government and 75 were dropped from the army roll.

Rebel forces in widely separated areas were withdrawing into the mountains by mid-February, and prior to Feb. 20 announcement was made that after that date the rebels would dynamite all freight and passenger trains. A Federal force under General Topete was severely handled by guerrillas on Feb. 16 between Cordoba and Tierra Blanca. Activity of General Cavazos in cutting railways and in dynamiting and capturing trains in Hidalgo resulted in suspension of traffic on Feb. 19 over both railways between Mexico City and Pachuca. Officials of the National Railways on March 3 estimated that the

rebels, after evacuating Jalapa, had destroyed one million pesos' worth of rolling stock. Villistas during February captured and held for ransom B. D. Bassett, an American citizen, and T. G. Mackenzie, a Canadian citizen. A statement of total damages suffered during the revolution by the Aguila Oil Company, unofficially estimated at \$5,000,000, was presented to the Ministry of Industry, Commerce and Labor on Feb. 26.

A labor convention in Mexico City on Feb. 18 voted to seize cotton mills in cases where differences could not be adjusted between mill owners, who were threatening to close the mills on account of scarcity of supplies, and workers who demanded a resumption of the six-hour day. The following day President Obregon announced that he would not permit the threatened seizure of the factories and that the authorities would intervene if "direct action" were attempted by the workers. At Orizaba 15,000 textile workers threatened to strike because of a reduction in wages and because of dissatisfaction over working hours. The Mexican Foreign Office gave assurance to France that the Government would not permit "direct action" by the workers against factories in the Orizaba district in which French capital is invested. In Vera Cruz, because tenants were refusing to pay rent, owners of houses on Feb. 28 refused to pay taxes. Thereupon Governor Tejada declared himself in favor of a new rent law that would be equitable to landlords and tenants alike.

Demands made by the Mexican Union of Workmen and Employes on the Aguila Oil Company in the Tampico district during February included full time and pay for strikers in case their demands were rejected; no employe to be discharged without the consent of union officials; half pay for all employes during periods when the company's operations were suspended on account of business depressions, and full pay for workers when ill. Threats were made that the workers would take over the company's operations in case the demands were not complied with. Officials of American oil interests in New York on Feb. 20 expressed alarm at what was characterized as a "growing wave of Bolshevism" in Mexico.

President Obregon stated on March 4 that the country had been pacified to such a degree that candidates for political office might resume their campaigns. Supporters of the Presidential candidacy of General Calles reopened his campaign headquarters on March 4 and announced that he would resign from the army on April 1. The elections are scheduled for July 6. Organized labor is whole-heartedly supporting General Calles. General Flores is generally held to represent a conservative liberalism. During February there were many evidences that political elements, jealous of the growing power of Labor and fearful of the alleged radicalism of Calles, would unite in support of a conservative liberal. President Obregon is reported to have stated during February that organized labor, which offered 100,000 volunteers to the Government during the rebellion, virtually has the making and unmaking of Mexican Presidents.

During late February and early March the Mexican Government negotiated with a combination of American financial, industrial and shipping interests, headed by the Wolvin Company and the British-American Tobacco Company, for a loan of from \$25,000,000 to \$40,000,000 in return for extensive development and shipping privileges. The plan was bitterly assailed by the Mexican press and by industrial interests. The negotiations with the Wolvin Company failed.

Mexican and foreign Chambers of Commerce protested on March 1 against a recent decree requiring advance payments of two months' taxes by all mining companies in Mexico and by all business houses and landowners in the Federal District.

Suspension from the payrolls of 101 de la Huertista Congressmen was reported from Mexico City on Feb. 25. President Obregon on March 1 appointed General Aaron Saenz Secretary of Foreign Relations and Ramon de Negri Minister of Agriculture and Industry.

Cordial relations between the United States and Mexican Governments have been strengthened since the middle of February, although the British Labor Government has expressed skepticism with respect to the Obregon Government.

HONDURAS

HOSTILITIES have been general throughout Honduras since early in February, when the three disappointed Presidential aspirants, General Carias, Dr. Arias and Dr. Bonilla, took to arms. After proclaiming himself President on Feb. 1, General Carias placed himself at the head of a large force on the Nicaraguan border and by Feb. 13 had advanced to within twenty-five miles of Tegucigalpa. Dr. Arias remained at the capital, where he dominated the forces of Dictator Lopez Gutierrez. As late as March 4, Dr. Arias was still in control at the capital, from where the Dictator had fled to Amapala on the Pacific Coast. The Bonilla forces were led by General Gregorio Ferrera, a full-blooded Indian, who incited the Intibucá Indians to rebel in behalf of Dr. Bonilla. General Ferrera soon dominated Southwestern Honduras. He captured the important City of Comayagua on Feb. 26 and on March 1 invested Tegucigalpa. After General Ferrera's victory at Zambrano on March 4, American Minister Morales negotiated successfully for a cessation of hostilities and for the peaceful occupation of Tegucigalpa by the Ferrera forces on March 7.

Meanwhile hostilities developed on the north coast, at La Ceiba, Tela, Puerto Cortes and San Pedro Sula, among supporters of Dr. Arias and General Carias, an independent force under General Tosta, and an unorganized bandit force. At La Ceiba on Feb. 29 the American Consulate was fired upon, an American citizen was killed and another was wounded. On March 2, General Carlos Lagos, brother-in-law of Lopez Gutierrez and commander of the so-called Government forces, fled from La Ceiba to Puerto Cortes and on March 6 evacuated the latter place. General Gutierrez, who fled to Amapala, died March 10. His death was attributed to diabetes. Cable advices from Salvador on March 14 stated that the Ferrera forces had recaptured La Ceiba and Tela.

The failure of the three political factions to reach an agreement for the restoration of constitutional government in Honduras caused the United States to sever diplomatic relations on Feb. 13. During Febru-

ary one United States cruiser was dispatched to Amapala and another cruiser and two destroyers were dispatched to the north coast. Marines were landed at La Ceiba and on the Honduran-Nicaraguan border on Feb. 29 and at Puerto Cortes on March 6. At the latter place they established a neutral zone. Additional marines were landed at La Ceiba March 8, and another destroyer was sent to that port.

NICARAGUA

THE Nicaraguan Government was notified on Nov. 14 that the United States Government desired to withdraw as soon as practicable the legation guard of 100 marines which has been maintained at Managua since 1912. Only in case the Nicaraguan Government thought that they could be of assistance to the constituted authorities in assuring complete electoral freedom would the marines be retained in Managua until after the October elections; upon the installation of the new Government in January, 1925, they would definitely be withdrawn. The United States Government offered to ask Dr. H. W. Dodds, Secretary of the National Municipal League and author of the recently enacted Nicaraguan electoral law, to go to Nicaragua and assist in putting the law into effect. It also offered to assist in the organization and training of an efficient Nicaraguan constabulary "which would assure the maintenance of order after the marines are withdrawn."

In its reply of Dec. 13 the Nicaraguan Government considered "desirable" the presence of the legation guard during the electoral period of October, 1924; agreed to accept the suggestion of the United States to maintain the guard at least until January, 1925; accepted in principle the idea of establishing an efficient constabulary, but for reasons of financial stringency proposed in lieu thereof that a few Nicaraguan army officers "receive from officers of the marines the instruction which would be necessary in order to acquire the capacity of cooperation in the formation and disciplining of the proposed National Guard"; and invited Dr. Dodds and several assistants to visit Nicaragua in the Spring of 1924 to assist "in the installation of the electoral plan."

SOUTH AMERICA

By HARRY T. COLLINGS

Professor of Economics, University of Pennsylvania

Steps toward economic stability and social reform in various republics—The first income tax laws in Brazil and Chile—Laws for the benefit of employes in Argentina and Peru—Peruvian President's dispute with New York bank

THE press of South America reflected an unusual interest during the past month in news regarding the illness and death of ex-President Wilson. His services to the world were reviewed in terms of the highest praise. His lofty motives were the subject of many encomiums. He was universally designated as "the apostle of idealism," "the friend of mankind," "the noble philosopher," "the apostle of democracy."

The boundary question between Chile and Peru has been for some time in the hands of the President of the United States for arbitration. The Chilean Commission sent a note on Jan. 12 to President Coolidge through the State Department calling attention to the fact that the Peruvian charges requested by Chile referring to alleged Chilean persecutions "of everything Peruvian" had not been made available, and asking that the original documents be submitted without delay. A part of the information requested was supplied by Peruvian representatives on Jan. 21. Later a conference was held between Señor Jarpa, officials of our State Department and Dr. Leo S. Rowe, Director General of the Pan-American Union.

ARGENTINA

THE new Argentine Ambassador to the United States, Señor Honorio Pueyrredon, arrived in New York on March 4. He was welcomed by Police Commissioner Enright and an Argentine delegation. The new Ambassador has served for six years as Minister of Foreign Affairs



HARRY T. COLLINGS

in his native land and is thoroughly conversant with the problems of diplomacy. Argentina sent a naval expert to the League of Nations Conference held in Geneva on Jan. 21 to participate in drafting an international convention extending to other nations the principles of the Washington Naval Treaty. The presence of the Argentine delegate is interpreted to mean that that country expects to resume its rôle in League activities. Dr. Antonio Barmejo, President of the Supreme Court of Argentina, has been appointed as a member of The Hague Court of Arbitration. He succeeds Joaquin V. Gonzales, who died last December.

Argentina continues to manifest an interest in scientific developments. Two Argentine officers and a mechanic arrived in London on Feb. 27 to purchase British airplanes in order that their country also may achieve a flight around the world. The Danish aviator, J. P. Hansen, for years a resident of Argentina, was killed in an airplane accident in that country on Feb. 10. He had on Jan. 31 accomplished the first flight across the Andes with a plane carrying a passenger. Buenos Aires now has direct telegraph connection with Rio Janeiro, a submarine cable between the two capitals having been put into operation on Feb. 27. Previous lines of communication had passed through Uruguay or Southern Brazil.

A new pension law has recently been passed in Argentina. Under its provisions employes of a mercantile house, including foreign companies, operating in the republic must turn over to the Government pension fund one month's salary for each employe, and 5 per cent. of each additional month's salary as it becomes due. This entitles employes to draw a pension from the Government after a stipulated number of years. As Americans usually go to Argentina on contracts of from one to three years, never intending to ask the Argentine Government for a pension, there is a general feeling among them that the money paid in should be refunded when they leave the country. There is no such provision in the law. The American Chamber of Commerce at Buenos Aires has sent a petition to the Argentine Government regarding this matter. President de Alvear on Jan. 31 issued a decree suspending this law for sixty days, this action being necessary in order to avoid widespread labor difficulties.

BRAZIL

PRESIDENT BERNARDES sanctioned on Jan. 8 the Federal Budget law for 1924. The estimated income exceeds the expenditures authorized by approximately \$60,000. If this balanced budget is maintained it will be unusual, since Brazilian budgets have regularly shown a deficit. The Budget law contains a provision (Article 3) for a new income tax. Brazil, in common with other Latin-American republics, is thus experimenting in an attempt to pass from indirect to direct taxation. The new tax will be collected on declaration of the taxpayer subject to check by fiscal agents as in the United States. The maximum rate in the new measure is 8 per cent. on incomes over \$60,000. It is calculated that the new tax, which is in the nature of an experiment, will produce about \$1,000,000.

In the State of Parahyba, in Eastern Brazil, Dr. Epitacio Pessoa, President of the republic from 1919 to 1922, is a candidate for State Senator. Dr. Pessoa also served as head of the Brazilian delegation at the Peace Conference. He recently brought suit under the new Press law of Brazil against

Mario Rodriguez, Acting Director of the newspaper *Correio de Manha* for charging him with misappropriation of public funds. The journalist appealed to a higher tribunal, on Feb. 14, from a sentence of one year's imprisonment and a fine of \$1,200.

CHILE

THE Senate on Feb. 9 passed the entire program of political, parliamentary and constitutional reforms recently demanded by President Alessandri. The Chamber of Deputies also approved the program which grants the Chief Executive greater freedom from parliamentary obstruction. This action by Parliament is the outcome of a compromise entered into by both sides of the political controversy which had waged in Chile for some weeks. The agreement to accept the reforms was made contingent upon appointment by the President of a new ministry, which would give electoral guarantees. The old Cabinet resigned and such a Ministry was formed.

The new legislation includes an income tax law—the first in the history of the republic—which became effective on Jan. 1, 1924. Another act provides that when Congress fails to pass the budget for any year prior to Jan. 1, budget legislation is to be given preference over all other business until it is passed. Until budget legislation is enacted the President is authorized to expend each month one-twelfth of the total amount of the budget for the preceding year. Cabinets and legislative bodies have sometimes changed with too great frequency in Chilean history. To stabilize legislative bodies a law now provides that the President may dissolve the lower house of Congress (Chamber of Deputies) once only during his term of office, and this privilege must be exercised, if at all, during the first two years of his Presidency. It is also provided that hereafter votes of confidence are to be confined to the lower house.

An interesting and courageous experiment which will be copied, perhaps, by other Latin-American republics, is to be made in Chile. The direction of public roads, according to a bill now before the Chilean Senate, is to be removed from the welter of activities in the Ministry of

Public Works and installed in a Federal bureau. This bureau is modeled in some degree on that of the United States. Reliable sources report that the bill will become a law; it should make possible greater progress in road construction, so much needed in Latin-American republics.

The shortage of labor in Chile, which has been the cause of concern for nearly a year, continues to attract attention. In the agricultural areas there is an estimated shortage of 25 per cent. when compared with the number of laborers available two years ago. Because of this shortage agricultural wages have increased from 40 to 50 per cent. during that period. Manufacturing industries are less affected by the labor shortage. According to a statement published on Jan. 5 by *El Mercurio*, one of the principal newspapers of the republic, there were forty-one strikes during 1923 in Chile, involving 11,300 persons, the loss in wages being 6,739,465 pesos, while important plants were closed for 577 days.

In several lines special effort is being made to advance the economic welfare of the republic. A commission, recently appointed by the Chilean Government to study methods of encouraging the beet sugar industry in Chile, has reported that State aid is essential, at least during the first few years. The commission recommends the payment of bounties for twelve years and an increase of 50 to 100 per cent. in duties on all sugar imported. Several previous attempts to establish this industry in Chile have failed.

COLOMBIA

THE Colombian national budget for 1924 was approved by the Congress of the republic on Jan. 19. It anticipates an income during that period of 33,285,397 pesos (the Colombian peso equals 97.3 cents at par). The expenditures proposed by the budget exceed this sum by more than 5,000,000 pesos. The deficit is to be covered by a foreign loan which is now being negotiated. An examination of the budget shows that the greater part of the indemnity money paid by the United States to Colombia in con-

nexion with the Panama Canal is to be used by the Department of Public Works for the construction of railroads.

ECUADOR

DR. GONZALO S. CORDOBA has been elected President of Ecuador by a large majority for the term 1924-1928. The opposing candidate, Señor Intriago, received a majority in only one State (Department of Esmeralda). Dr. Cordoba has had a long legislative and diplomatic experience, having served his Government as Senator, State Governor, Cabinet Minister, Minister to Venezuela and in Washington.

PERU

PRESIDENT LEGUIA of Peru sent a note to the State Department at Washington on Feb. 15, protesting against certain actions of the Guaranty Trust Company of New York. This company, which was guaranteed a first option on the future loans sought by Peru because of the loan which it made to that republic in 1922, is, according to President Leguia's message, attempting to monopolize financial dealings in Peru. Officers of the New York bank denied emphatically that they had endeavored, as President Leguia said, "to warn all possible competitors off the field by circularizing the leading financial institutions of the United States with entirely misleading statements as to the power and scope of their option clause in regard to Peru." Secretary Hughes took up the matter through the American Ambassador in Lima, Mr. Poindexter, and an amicable settlement of what the banking concern claims to be a misunderstanding will be brought about through diplomatic channels.

The Peruvian Congress, in the closing hours of its last session, passed a law for the protection of employes. The law provides for employers' liability for injuries incurred in the course of employment, regulates the termination of employment when a fixed time has not been provided by contract, provides for indemnity in case of dismissal and also for a tribunal to arbitrate disputes between employers and employes.



ARTHUR LYON CROSS

THE BRITISH EMPIRE

By ARTHUR LYON CROSS

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British Labor Government following a middle course—Baldwin Cabinet's naval building program being followed—Attempts at rapprochement with France—Railway and dock strikes settled—The South African color bar declared invalid by courts—Indian home rulers militant

AFTER an adjournment of three weeks have already been held, and the Government recommends a guarantee of continuous work over a fixed number of years. In dealing with unemployment two aims must be striven for—work and effective schemes of insurance if work cannot be provided. However, while furnishing adequate unemployment relief the Government purposes to concentrate on restoration of trade by means of export credits, improved communications and loans and guarantees in the case of approved relief works. The issue of capital levy is not to be pressed; but a careful survey of the whole financial situation is recommended. To meet the acute agricultural distress taxation reform, promotion of cooperative enterprise in buying and selling and adjustment of wages in the interest of labor are advocated in place of bounties and tariffs which foster inefficiency.

The Labor Government not only does not have a majority behind it, but does not even represent the largest party in the Commons. This will necessitate some alteration in the habits of the House; members will be more likely to vote as responsible individuals than as party politicians, and the Cabinet will resign only if defeated on substantial issues of principle. The wild panic expected by some has not come to pass; although Labor repudiates a policy of tranquillity it aims at a policy of confidence. The first duty will be to carry on the administration of the country. Certain large questions, like the resolutions of the Imperial Economic Conference and the ratification of the Treaty of Lausanne, are to be laid before Parliament for final action.

The housing problem is to be attacked at the heart; and subsidies will be indispensable for building homes to be rented on terms within the reach of the wage earner. Conferences of employers and employed

The Prime Minister took over the office of Foreign Secretary to deal more directly and authoritatively with the delicate and complicated European problems which confronted the Government. His expeditious recognitions of the Soviet republics he justified as the most promising means of expanding trade and settling outstanding difficulties. In his unusually candid correspondence with M. Poincaré he has endeavored to create a healthier atmosphere. He aims to increase the representa-

tive character and authority of the League of Nations, so as to include Germany and Russia among the adherent States. While realizing that it would ill become him to give advice to the United States, he trusts that America will see her way clear to join the League.

In the debate which followed the next day, Mr. Baldwin, who was re-elected leader of the Conservative Party, maintained that in its policy toward France, and plans for the relief of unemployment, the Labor Government differed little from its predecessor. Consequently he devoted his chief attention to the difficulties involved in settling the outstanding differences with Russia under a régime which advocated views utterly different from those commonly accepted throughout the world, and was suspected of tireless propaganda, particularly in the East. Mr. Asquith, on the other hand, approved the recognition of Russia.

Premier MacDonald's exchange of letters with M. Poincaré, published Feb. 3 and March 3, candidly setting forth the points at issue between Great Britain and France, and manifesting at the same time a truly conciliatory spirit, have called forth, so far as generalities are concerned, reassuring replies. What tangible results will follow remains to be seen. The declaration of the Home Secretary, Mr. Henderson, in an election speech at Burnley that the Treaty of Versailles was overripe for revision, was bound to cause embarrassment, though Mr. MacDonald, under pressure of sharp questioning in the Commons, admitted that it was not authorized by the Cabinet. The genial Mr. Baldwin and that astute veteran Mr. Lloyd George are both inclined to view the Prime Minister's efforts thus far with a tolerant eye, and to predict that experience will cause him to modify some of his previous views. On the other hand, Mr. Winston Churchill, contesting a by-election on an independent anti-Socialist platform, feels sure that the Labor Party "are only lulling the country into false security by smooth words and reasonable action, and are biding their time to put their fallacious and destructive theories into effect."

Mr. Wheatley, Minister of Health, has aroused vehement opposition by removing,

by administrative order, the limit in the case of the Poplar Guardians of the Poor which may be allowed for unemployment relief and remitting the surcharge of £100,000 by which they have already exceeded the limit. The Prime Minister justified this action on the ground that the limit had not been enforced by previous Cabinets, but many think it opens dire possibilities for raids on the pocket of the taxpayer. Mr. Wheatley's pronouncedly socialistic views and that of various Ministerial supporters were further shown in the bill to extend rent control to 1928, which was carried on second reading, 248 to 101, on Feb. 22. This, in the opinion of many, will still further discourage private building. On the other hand, a few measures have carried over the opposition of some of Labor's more radical adherents, as, for example, a scheme to assist the Sudan irrigation project for the development of cotton growing. In accordance with its views on nationalization, the Government has decided not to sell its Persian oil shares. Possibly some folk will be disquieted on other grounds from the fact that a bill has passed a second reading to reduce the age qualification of women voters from 30 to 21. If it ultimately carries, it will mean that the women voters will outnumber the men by 12,400,000 to 10,500,000.

No sooner was the railway strike settled on Jan. 29, on terms satisfactory to the men, than a dockers' strike was declared. By the Shaw award of 1919 the daily wage for dock workers was fixed at 16 shillings in large ports and 15 in small. Since then it has been reduced to 10 and 9, respectively. The men demanded an increase of 2 shillings a day and a guaranteed weekly minimum of employment. Refusing to compromise, the men walked out on Feb. 16. Altogether, 120,000 were involved, mainly members of the Transport and General Workers' Union. An agreement was reached by representatives of both sides at the Ministry of Labor Feb. 21, and was ratified three days later by a conference of the strikers' delegates. Under the agreement the men receive an advance of 1 shilling per day at once and another shilling advance on June 1, while a joint committee is to consider the question of a guaranteed minimum employment.

On Feb. 21 the Government, backed by the Conservatives, carried a bill providing for the construction of five cruisers and two destroyers. Government spokesmen defended the measure, which was initiated by the Baldwin Cabinet, on the grounds that the proposed craft were replacements, not additions, and that they would provide employment in the shipyards. Mr. MacDonal very significantly declared that "disarmament must be brought about by international agreement, not by allowing the present naval establishment to disappear through wastage." Heated opposition came from various Liberals and Laborites, one of the latter inquiring sarcastically "whether the decision is to be taken as a great moral gesture to the world?" The British are frankly disturbed by the French superiority in aircraft, and Lord Thomson, while cautious and moderate, has shown himself fully alive to the importance of air defense. So, in spite of the pacifistic utterances of the Under Secretary, Mr. William Leach, the Government is providing for a substantial enlargement of the force for home defense.

IRELAND

IRELAND still shows the scars of her years of conflict. A part of Dublin's best streets are in ruins and many fine old country houses are destroyed beyond repair. Many of the former revolutionaries have turned into sober citizens, to be sure, and the Dail is a rather prosaic and businesslike body, yet there are occasional fitful bursts of opposition, and a fiery orator here and there denounces the Free State Government as a betrayer of Irish liberties. Early in March the attempted arrest of General Tobin and Colonel Dalton for resisting a demobilization order led to a series of mutinies, but the determined attitude of the Government has thus far checked serious trouble except in revolutionary Cork.

The Irish Boundary Commission chosen to settle the boundary between the Free State and Ulster met on Feb. 1 and 2, apparently without result, and adjourned for about a month. Feeling is acute between the two sections. In denying charges that the Free State has placed armored cars, artillery and airplanes along the border, Minister of Defense Mulcahy counters by

declaring that the "six county authorities have deliberately given sanctuary to prominent irregulars actively and continuously engaged in an attempt to destroy our country."

CANADA

THE Canadian Parliament met at Ottawa on Feb. 28. In his speech the Governor General, Lord Byng, forecast reductions of duty on agricultural machinery; he also recommended stabilization and control of freight rates on grain from the head of the Great Lakes to the ocean ports and the development of inland water transport, though he stated that there would be no final decision on the St. Lawrence waterway without further inquiry.

As in the United States, the Canadian farmer has been suffering from the high cost of labor and supplies, while the prices for his crops have been falling. The same remedies have been suggested as in the United States, chief among them being diversified farming. While the Progressive Farmer Party does not seem to be gaining in strength it is difficult for the Government to develop a policy satisfactory to the whole country. For example, the recommendation to repeal the duty on agricultural implements has already led to threats of secession from the Liberal Party. The prairie provinces are opposed to protection, while Ontario, Quebec, the Maritime Provinces and British Columbia favor it. Trade and production seem to be on the up grade.

On Feb. 11 the British Empire Steel Corporation and the representatives of the United Mine Workers of America reached a settlement of the strike in Nova Scotia on the basis of a restoration of the 1923 wage scale. The miners at first refused to resume work until a referendum was taken, arguing that the increase in the price of coal from \$2.50 to \$3.60 a ton would wipe out the concession in wages, but after a few days went back to work.

SOUTH AFRICA

THE Transvaal Supreme Court has handed down a decision holding invalid the law prohibiting colored men from operating machinery in the Transvaal

and Orange Free State. The natives now hope for increased opportunities in the mines and elsewhere, and may contest the legality of other laws discriminating against them. The white workmen regard with the deepest gloom the possibility of unlimited black competition in the field of skilled labor. Employers have not yet declared themselves; but it is unlikely that they will care to go too far in stirring up discontent among the Europeans, though the decision will give them an effective weapon against the trade unions, and some of the lower grade mines may take advantage of the opportunity to employ cheaper workmen.

The Union Parliament was opened by the Earl of Athlone, the new Governor General, on Jan. 25. The Government had a narrow majority of six; but General Herzog, the Nationalist leader, in introducing a motion that it was the Government's duty to consider problems of unemployment and increasing poverty was very moderate and registered his support of the Asiatic policy of his arch-enemy, General Smuts. With the memory of the dissension over the Nationalist Labor Pact still fresh, the opposition has shown little aggressiveness in Parliament, but there are rumors of negotiations between prominent members of the two parties to turn Smuts out at the earliest opportunity.

The Minister of the Interior charged a deputation of Indians on Feb. 17 with "whipping the people" into a "state of frenzy" over the Class Areas bill before discussing its terms with him. This bill provides for setting aside areas for residence and trade for particular classes of persons, and prohibits—subject to certain modifications—the holding of real property, leases and trading licenses by a native of India.

AUSTRALIA

AUSTRALIAN opinion as to the results of the recent Imperial Conference seems pessimistic. There is a general feeling that the proceedings were wrapped in too great secrecy and that the conclusions are not likely to result in any very decisive action. While Premier Bruce seeks an adequate voice in shaping the foreign policy

of the empire, pleads for the Singapore base and would have Australia bear a fair share of the cost of defense, the Labor Party shows little enthusiasm for "meddling" in the affairs of other countries and is set against ever again sending Australian troops overseas.

INDIA

MAHATMA GANDHI regrets that he was released on account of illness, because he does not regard that as a proper ground for release. He is distressed at the continued conflicts between the Mohammedans and the Hindus, and is overwhelmed by responsibilities which he does not feel fit to discharge.

The Swaraj group in the Central Provinces, where they have a preponderating majority, have shown themselves boastfully truculent and obstructive, opposing even non-contentious legislation.

The Legislative Assembly for India opened on Jan. 31. The Viceroy, Lord Reading, was exceedingly outspoken. He declared that while the Government was in favor of political reforms, obstructionist methods would jeopardize what had already been conceded. At the same time he manifested his good-will by detailing what he had done in the way of protest against the disabilities of Indians in Kenya and South Africa. The Swaraj party owe their successes in the elections to their shrewd exploiting of popular grievances—some of them genuine enough—and to a certain amount of Bolshevik propaganda. It is questionable how far more self-government would heal most of the ills which weight on the masses. On Feb. 18 a resolution demanding a round table conference with a view to securing further home rule was carried, 76 to 48. In spite of strong resolutions from the National Council of the Independent Labor Party in England favoring the project, the Secretary for India, Lord Olivier, in a speech in the House of Lords on Feb. 20 declared decisively against hurrying the process of self-government for which the Indians were not yet ready. It would, he declared, "be worse than perilous, indeed big with disaster for the people of India."

FRANCE AND BELGIUM

By WILLIAM STEARNS DAVIS

Professor of History, University of Minnesota

Premier Poincaré in difficulties as result of decline in value of franc—Heroic remedies proposed—The 20 per cent. tax increase—Economy by administrative decree—Cabinet change in Belgium



WILLIAM STEARNS DAVIS

DURING February and early March the general international situation appeared to dwindle in importance for France before the serious domestic crisis caused by the steady drop in exchange value of the franc, and by the very drastic proposals of the Poincaré Ministry to cut to the root of the evil by a 20 per cent. increase of taxation.

There is little doubt that the failure of the Poincaré undertakings in the Ruhr to produce prompt payments by Germany, however susceptible this failure may be of explanation and however much the collapse of German "passive resistance" may have flattered French pride, has weakened the present Ministry, which was further embarrassed by the enforced reorganization of the friendly Theunis Cabinet in Belgium, and the possibility for a time of a Socialistic Government in Brussels, which would have left France completely isolated in her Rhine policy. The deciding factor in the recent debates in the Chamber, however, was the fact that the fall in foreign exchange has been accompanied by a steady and alarming increase in the cost of living, a process which, if unchecked, may be charged with political dynamite in the coming May elections.

The series of budget proposals with which the Cabinet undertook to deal with the economic situation and the essential

features of which were the elimination of the ill-starred "recoverable budget" (payable from the reparations to be collected from Germany), from consideration as a factor for immediate income, and the increase of nearly all taxes by 20 per cent. to cover the perilous deficit, aroused in the Chamber a veritable tempest, which continued through nearly the whole of February. Increasing of taxes just before an election is no more popular with French politicians than those of any other nation. The situation, however, forced most of them to reconcile themselves to vigorous remedies. The main animus of the attacks was the proviso to permit the Government to effect budget economies by Ministerial decree without awaiting the specific consent of Parliament. This was assailed as "a step toward autocracy" and as depriving the Chamber of its constitutional power over the national finances. Premier Poincaré gave a hint of his motives by suggesting that the Cabinet intended a drastic reduction in the number of State employees, there being "too numerous a personnel in the administrative services."

The Chamber on Feb. 6 sustained the principle of the bill embodying these proposals, although more than half the Deputies refrained from voting. The policy of M. Poincaré was not made easier by the announcement of Léon Daudet, the Royal-

ist leader, that he favored giving the Government the desired "Power of Decree," because "I consider that it is the commencement of the reactionary measures to which I aspire." It was stated that though many Deputies believed that M. Poincaré was not likely to abuse his powers, they feared that the new step would align France with those anti-democratic dictatorships which seem to be gaining favor all over Europe. This criticism was summed up by M. Herriot, the head of the Radical Socialists, in the words, "When the right to make laws is once taken from Parliament, it is no longer a parliament—it is because this principle is being sacrificed that I refuse to vote."

The debate proceeded amid infinite wrangling and many personal clashes. On Feb. 8 Premier Poincaré and his whole Cabinet walked out of the Chamber to register publicly their disgust at the attitude of the Opposition. Upon his return M. Poincaré thus lectured the Deputies from the tribune: "Keep to the subject and abstain from personal attacks. Remember that you are representatives of France. She is worthy of your respect."

In the course of the discussions the old friction between the Poincaré and Clemenceau elements became very conspicuous. M. André Tardieu, the "Tiger's" spokesman, denounced the Cabinet measures as not merely arbitrary but calculated to increase the cost of living, damage trade and put extra burdens on the taxpayers, without meeting the deficit or stabilizing the franc. He declared that the whole legislation was framed in a panic "in fear of some Amsterdam bankers." The Premier, however, held his ground and attacks which would ordinarily have been the death of any Ministry were defeated, the Chamber being unwilling to turn out a leader to whose foreign policy the majority stood absolutely committed. Finally, after a strenuous session lasting from 10 A. M. on Feb. 22 until 7 A. M. the next day, the bill was carried by a majority of 136. The Senate on March 17, after much debate, fell in line with the Chamber and passed finally M. Poincaré's proposals, the measure being carried by 151 to 23, the Left abstaining from voting.

By the measure passed by the Chamber it is estimated that new revenues of 4,500,-

000,000 francs will be obtained annually, in addition to economies of 3,000,000,000 francs, a total of 7,500,000,000 francs, which will go far toward balancing the budget. Apart from the increase of taxes by 20 per cent., the Government obtains the right to reorganize the whole system of provincial administration with a view to economy. The match monopoly run by the State at a loss is to be sold to private enterprise, heavy penalties for tax evasion are established and parcel post and telephone rates are to be increased. Railroad fares have already been advanced about 50 per cent.

The continued fall of the franc led to a renewal of drastic measures against speculation in foreign exchange, and the announcement by the Government that there would be no further inflation and that the further restoration of the devastated regions would have to wait until the necessary 30,000,000,000 francs could be raised by taxation. Despite these governmental assurances the franc declined steadily, until on Saturday, March 10, it was quoted at the catastrophically low figure of 3.42 cents per franc in the New York market. The following Monday, however, J. P. Morgan & Co. and several other American banks stepped into the breach with a loan to the Bank of France officially announced as "not less than \$100,000,000," and the value of the franc rose to 4.96 cents in a few days.

Apart from the work of the investigating committee appointed by the Reparation Commission and the public exchanges between Messrs. MacDonald and Poincaré there have been few international events of importance, although French public opinion has been stirred by the reported British policy of again concentrating a strong fleet in the Mediterranean.

The action of Britain in recognizing Soviet Russia aroused only dissenting comment in France. It was semi-officially stated that "with France the question of debts comes first, and recognition can come only after an alteration in the Soviet system of nationalization without indemnity."

The French Senate on Feb. 12 passed resolutions of regret at the death of President Wilson, similar in tenor to those passed earlier by the Deputies: "France will keep always the memory of his solemn

voice [urging America to war], and we who have lived through those tragic hours will teach our children to honor the great memory of President Wilson." Two Royalist Senators alone refused to vote for this resolution, one of them, the Count de Elois, who declared that he had the deepest gratitude for American aid, but that "I consider that at the moment of the signing of the peace treaty President Wilson's attitude was detrimental to France, which with Europe is now suffering from his too highly idealistic theories."

BELGIUM

King ALBERT'S kingdom stepped into a foremost place in the world's attention when on Feb. 27 the Theunis Ministry resigned as a result of the rejection of the Franco-Belgian economic convention in the Belgian Chamber of Deputies. The result had been foreshadowed during the debate of the previous day when many Deputies complained that "France had conceded nothing to Belgium," and that, while the interests of Belgium tended toward free trade, the proposed convention tied the country closely to France, which was tending more and more to put itself on a protectionist basis. There was more behind the proposal, however, than a mere question of economic policy. The Belgian people, especially the population of the Flemish provinces, had become very restless over the general situation caused by the Ruhr occupation and the steady decline in the purchasing power of the franc. The price of food had seriously increased, and on Feb. 16 riots occurred in several Flemish market towns. All this naturally assisted the Parliamentary opponents of the Theunis Cabinet.

In the defeat of the Ministry (95 to 79) the bulk of the opposition came from the sixty-eight Socialists, the majority of whom have been bitter critics of the Ruhr occupation. They would have been helpless, however, without the reinforcement of twenty-two Flemish Catholics led by Van Cauwelaert, who mainly represented the attitude of the great commercial City of Antwerp.

M. Theunis had been in office since December, 1921, and had more than once

given intimations of his willingness to retire, but the fact that the Belgian Parliament, like many contemporary Legislatures, is split into numerous blocs, has made him seem the most available leader for the disunited elements. After the defeat he at first refused to try to reorganize a Ministry, and announced his intention to take a vacation. Meantime, King Albert was left with the problem of finding some one willing to accept the dangerous honor of the Premiership. The normal solution might have been a makeshift Ministry and a new election, but under the Belgian system of proportional representation it is perhaps harder for any one party to win a commanding majority in Belgium than in most other liberal countries. The King conferred with such leaders as Hymans, representing the Liberals, Rogers, representing the Catholics, and Vandervelde, spokesman of the Socialists, but no definite result followed, although the Socialists declared themselves willing to attempt to conduct a minority government after the style of the British Laborites. Active negotiations behind the scenes, however, resulted in the announcement on March 5 that the Catholic and Liberal Parties were forming another coalition Cabinet, which M. Theunis had consented to head. The only important change from the old Ministry was that in the portfolio of Foreign Affairs, where Paul Hymans succeeded M. Jaspar, who felt himself too deeply committed to the defeated Franco-Belgian convention to continue in office.

The personnel of the new Cabinet follows:

GEORGES THEUNIS—Premier and Minister of Finance.

FULGENCE MASSON—Justice.

PAUL HYMANS—Foreign Affairs.

PROFESSOR POULLET—Interior.

DR. NOLF—Science and Art.

BARON Ruzette—Agriculture and Public Works.

XAVIER NEJEAN—Railroads.

PIERRE FORTHOMME—National Defense.

A. VANDERVYVERE—Economic Affairs.

PAUL TSCHOFFEN—Industry and Labor.

M. CARTON—Colonies.

The Belgian franc, which had declined in sympathy with the French franc to 3.1 cents, shared in the latter's improvement, rising in a few days to 4.26 cents.

GERMANY AND AUSTRIA

By WILLIAM R. SHEPHERD
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Dissolution of Reichstag by Chancellor Marx forced by Social Democrat and Nationalist obstruction—Political activity preceding new elections for Reichstag—Progress of Hitler-von Ludendorff trial—Austrian reconstruction under League hampered by complex factors



WILLIAM R. SHEPHERD

ON March 13, after a legislative existence of nearly four years, the Reichstag was dissolved by Presidential decree. The rule of martial law, imposed early in November, 1923, because of the "beer-hall revolution" in Munich, had been lifted two weeks before; but the Social Democrats and Nationalists were not satisfied with what seemed to be a concession to their wishes. They balked at the prospect of a continuance in force of the constitutional amendment under which ordinances of an emergency character might be issued, demanding instead a revision of those already in effect. Nor did their opposition cease at the warning of the Chancellor that dissolution would follow an attempt at interference with measures that, in his judgment, had stabilized both currency and country. Hence, after a motion, offered by the Nationalists to alter the Constitution, so as to have the election of a new chief magistrate coincide with that for members of the Reichstag, had been defeated, Dr. Marx called upon the President to take appropriate action. Prior to the reading of the decree, however, a bill providing for the establishment of a gold discount bank was passed.

Throughout the period the exercise of martial law had been so judicious that most of the German people were quite unaware of its operation. Only certain Na-

tionalists and Communists, whose subversive activities had been held in check, protested against it. Political circles regarded the restoration of civilian control as a concession primarily to the Social Democratic Party, in view of the losses it had sustained through desertions to the Communists and as an attempt to make a favorable impression on the Labor administration in Great Britain. It could be construed equally well, if not better, as an evidence that the industrialists in collaboration with the moderate Nationalists had gained too powerful a grip and that the labor organizations had become too much weakened to warrant further resort to the military. At all events the authority of the Central Government had been vindicated to a point where measures inaugurated under exceptional circumstances for the rehabilitation of the political and economic life of the country could be carried on without direct aid from the army. Though public assemblages in the streets are still forbidden, civilian control in general has been restored.

The approach of the elections for the Reichstag—normally to have been held in June, but now scheduled for May 4—caused much political activity. No disturbances, however, were reported. The result of local parliamentary or municipal elections held in Thuringia, Mecklenburg and Lübeck, foreshadowing those for the

Reichstag, confirmed a general impression that, instead of upholding the Social Democrats as the largest single party represented in the national legislature, public sentiment was veering toward the Right and Extreme Left. In all three districts the non-Socialist or Burgher parties were successful. The Communists also secured a decidedly increased representation, despite the military ban under which they had been placed.

Though the more excitable among the ultra-Nationalists have indulged in verbal displays that were more or less harmless, the men in command have been preparing for the coming electoral campaign. Two sets of extremists, in sympathy with the Bavarian reactionaries, coalesced to form a "German Party," provided with an unusually comprehensive scheme of agitation for economic reforms and against Jews and foreigners. The platform of the National People's Party revealed similar inclinations. It advocated general conscription, regardless of its prohibition under the Treaty of Versailles, the restoration of monarchy, and the preservation of Germanic blood and Germanic ideals from the taint of foreign influence. A quite different group issued a call for the founding of a "German Republican Party," to unify republican sentiment, restrain tendencies toward racial antipathy and secure a greater degree of centralization in Government, the nationalization of basic industries and the protection of the masses against profiteers.

In Bavaria interest centred on the trial for treason of Adolf Hitler, General von Ludendorff and eight others, who participated in the "beer-hall revolution" of last November. Eight days before the trial opened, Dr. von Kahr decided to relinquish his post as "State Commissioner," or virtual dictator, and General von Lossow similarly decided to withdraw from his position as commander of the Bavarian division of the Reichswehr. The unpopularity of their rule, the certainty that they would be summoned to testify, and conferences between Chancellor Marx and Dr. von Knilling, the Minister President of Bavaria, resulting in a more friendly feeling between Berlin and Munich, appear to have been responsible for the joint retirement.

The trial opened on Feb. 26. In lengthy speeches both Hitler and General von Ludendorff pleaded not guilty. They and their fellow-defendants sought to throw the blame on Dr. von Kahr and General von Lossow, who, they asserted, had directly or indirectly pledged support to the revolution. This von Kahr and von Lossow explicitly denied, declaring that they had never taken the affair seriously, and had merely pretended to do so. The more the evidence accumulated, however, the clearer it became that all were implicated in a plot to overthrow the German republic. It failed because some of the monarchists wished to have Prince Rupprecht of the Wittelsbach family, and others desired a Hohenzollern, on the throne of the Fatherland; whereupon the partisans of the former turned against their fellows and brought the conspiracy to an inglorious end.

In the domain of foreign affairs, an important incident was the dispatch on March 5 of a note from the allied Governments refusing to accede to a German request for the abandonment of the existing system of international control of disarmaments. The German contention was that inasmuch as the conditions relative to disarmament imposed in September, 1922, had been met, the duties hitherto devolving on the Control Commission should be turned over to the Committee of Guarantee instead. The reply stated that, if the Reich had fulfilled its obligations, it ought not object to a definite and final verification of the fact. Another item of interest was the appeal addressed by the German Government to the authorities in the occupied area for liberty of the press and freedom of speech, so as to assure fair voting at the elections for the Reichstag. A similar desire was expressed on behalf of Bavaria on the ground that nothing could be done in the Palatinate toward preparing for the election of members to the Landtag until disorders perpetrated by Separatists had ceased and restrictions to their advantage enforced by the French had been abated. Permission was also asked for the exercise of the ballot by the approximately 45,000 voters expelled from the occupied areas.

Financially, so far, at least, as Govern-

ment and business were concerned, the situation continued slowly to improve. Under the steady influence of the rentenmark the money market suffered no very radical fluctuations, despite the heavy demands on the Reichsbank for credit by the recovering trade and industry. Reduction in the quantity of paper marks made some progress, but was retarded by the disinclination of the public to exchange them for the new currency. It was further retarded by the necessity of having the Reichsbank absorb the outstanding issues of emergency bills. The revenues of the Government increased even faster than its deficits. To guard against the latter, a measure was projected for the floating of an internal loan of 1,000,000,000 gold marks. In its final form the so-called "third taxation decree" of Jan. 31 provided that private bonds and mortgages, which had lost their worth through depreciation of the paper mark, should be restored to 15 per cent., instead of 10 per cent., of their former gold value. Business men were further encouraged by the promise of the Government to remove State regulation. The textile and metal industries in particular showed improvement. Not so much could be said of the Ruhr region.

The cost of living, as reckoned statistically, may have fallen perceptibly below the pre-war rates, but this boon, when translated from figures into facts, was not available to the vast number of unemployed and partially employed. If prices have gone down, so have wages and salaries and in greater proportion. The food crisis has become even worse, notwithstanding heightened effort on the part of the central and local Governments, industrial concerns, private individuals and aid from abroad. As before, it is the intellectuals and the children who are suffering from the lack of food and clothing. Possibly 15,000,000, or about a quarter of the entire population, depend upon charity, and a third of that number have no employment.

AUSTRIA

RECENT events have demonstrated that the course of economic reconstruction in Austria has reached what is perhaps its stage of greatest difficulty.

Lessening of public expenditure and simplification of administrative procedure through reduction in the number of official employes have not sufficed to assure a proper balancing of the budget in accordance with the requirements of the League of Nations. Preoccupied with the problem of decreasing employment that has set in since an agreement was made between the German industrialists and the French authorities in the Ruhr region, and troubled by new forms of taxation and rising prices, the Austrians apparently have not given due heed to the conditions under which financial aid was granted their country. While the people were calling for lower taxes, the Government requested that it be allowed to expend, under its own direction, for the improvement of communication, 200,000,000 gold crowns remaining out of the original loan. Both desires would indicate the existence of an inclination toward freedom from further control by the League. The Council of the League, however, at its session in Geneva on March 12, refused to consider any such plan of action before a permanent equilibrium in the budget had been attained and the financial stability of Austria positively assured.

Apart from these differences of opinion between the country and its international sponsor, the financial situation was complicated still further by a strike of bank employes, who found support in Socialist quarters. They demanded a reduction in the staff, an increase of wages, the abolition of overtime work and the limitation of business activities to the forenoon. The strike was eventually settled by a compromise in hours and wages. It was typical of a popular unrest that has been aggravated by a campaign of the Socialists against ecclesiastical control of marriage and divorce, as well as against the continuance of the management of public finances by the League. Rather than have this prolonged, they would prefer a wholesale levy upon Austrian capital to provide the panacea for economic ills.

The Austrian Government on Feb. 25 notified Russia that it was willing to resume diplomatic relations. The act amounts to a *de jure* recognition of the Union of Soviet Republics.



LILY ROSS TAYLOR

ITALY

By LILY ROSS TAYLOR
Associate Professor of Latin, Vassar College

Fascista control of the Chamber assured under the new electoral law—Mussolini's plans for commercial expansion—Protests against American immigration restrictions—Strained relations with Great Britain over African territories

SINCE the victory of the Fascisti at the polls in the national election, has approved the following definitive list

which will take place April 6, is a foregone conclusion, the preparation of the list of Fascista candidates, the last of whom were announced on Feb. 20, was a matter of the greatest interest. The lists announced include only 366 names, a number that is exactly two-thirds of the total membership in the Chamber of Deputies. Since the candidates will be voted on en bloc and two-thirds of the seats in each district will be assigned to the winning party, it is obvious that no one on the list will be disappointed. Though local Fascista chiefs desired to have the lists prepared in the fifteen regions of Italy, Mussolini decided to put the matter in the hands of a group of five men, who received nominations from local leaders, but reserved for themselves the actual making of the lists, which were, in turn, revised by Mussolini. The five men appointed as a Central Nominating Committee—the Pentarchia, as they were called — were Cesare Rossi, Giacomo Acerbo, Aldo Finzi, Michele Bianchi and Francesco Giunta, all of them active Fascista leaders. The lists for each district which were made known to the country through the official Agenzia Stefani were headed in every case by the following statement: "The President of the Council of Ministers, the Honorable Mussolini,

The composition of the lists is interesting. Of the 366 candidates only eighty-eight are in the present Parliament, and the remaining 278 are applicants for high political honor for the first time. The great majority are Fascisti of some prominence, though, in accordance with Mussolini's speech of Jan. 21, members of other political groups are included in the lists. Such inclusions are particularly common in the regions where the Fascisti are not strong. In the Province of Naples twenty-two out of thirty-three nominations and in the Marches nine out of eleven go to non-Fascisti. Among the delegates from Sicily is former Premier Orlando, who, after hesitating for some time about entering the Government lists, finally agreed to do so in a letter which affirmed his adherence to the Constitution and his hope that the present electoral system would not continue after the difficulties of the moment had passed. Another prominent non-Fascista in the lists is De Niccola, former President of the Chamber. The dramatist Sem Benelli, author of "The Jest," a strong supporter of Mussolini, is a candidate from Tuscany. The name of Prince Caetani, Italian Ambassador to Washington, is not on the lists, and his recall, which was reported, has been officially denied.

The only element of uncertainty in the

election is the question of who will capture the remaining third of the seats. There has been the usual lack of unity among the other parties, and the Fascisti have availed themselves of the situation to organize a second Fascista Party, called the "Fascista Bis," which will attempt to capture some of the minority seats in several districts. In other regions there are so-called "flanking parties," which, though running on independent tickets, are avowedly friendly to the Fascisti. Such a group is headed by former Premier Giolitti in Piedmont and Liguria. Obviously, the Government can expect the support of more than two-thirds of the new Chamber of Deputies. The chief parties of the Opposition, numbering from six to ten in each region, are the Popular, or Catholic, Party, much diminished by defections to Mussolini; the Socialists, Maximalists and Communists, three groups that together made up the old Socialist Party, and the Constitutionalists, who, under the leadership of former Premier Bonomi, form perhaps the strongest opposing party.

Criticisms of the violent acts of Fascisti led Mussolini recently to give a long list of all the violent deeds perpetrated in the last months by others against the Fascisti. Answering a very sharp attack on Fascismo that appeared in the Socialist daily, *Avanti*, Mussolini's organ, the *Popolo d'Italia* did not disavow violence, though it disclaimed "all responsibility for the legitimate reprisals that may result from such provocation." The importance in the Fascista rule of the volunteer national militia with its oath of allegiance to Mussolini came out clearly in the Premier's speech at the anniversary of the formation of the militia on Feb. 1, an occasion that must have been impressive even in the great mass of ceremonies and processions that characterize Fascista Italy. The "Duce" declared that, though the militia now wore the gray-green of the Italian Army, he had no intention of changing its purely voluntary character. "The man who touches the militia," he said, "will encounter bullets."

The plans of Mussolini for commercial expansion continue to develop. In a statement to the Council of Ministers on Feb. 21 the Premier said that since the

West was closed by definite national units, "the lines of pacific expansion are toward the East." Now that Italy and Russia have exchanged Ambassadors, the importance of the Italian treaty that accompanied the recognition of Russia has become more apparent. Russia has guaranteed to Italian shipping "in bond" transit rights from the Black Sea to the Caspian. This agreement opens to Italian trade a great field that was formerly accessible to British merchants. By it the Italians can deliver goods at the Persian port of Engeli on the Caspian more quickly and more cheaply than the British can send their products by the caravan routes to which they are limited. "The only conquest we are after is the conquest of trade," said Admiral Thaon de Reval, Mussolini's Minister of the Marine, in a recent interview with Anne O'Hare McCormick. Treaties like this one with Russia, as well as the constant growth of the Italian merchant marine which the Admiral mentioned, show the truth of the statement.

Plans for commercial expansion are taking account of the future status of Fiume. Train service between Fiume and Susak began on Feb. 24, and for the future there will be a regular service of three trains daily between Fiume and Zagreb, the chief city of Croatia. Hungary, whose port Fiume was in the days of the Austro-Hungarian Empire, has recently announced a 35 per cent. reduction in the railroad tariff on goods shipped to Fiume and Trieste. The announcement has also been made that ships formerly in the Hungarian merchant marine and ceded to Italy at the end of the war are to be turned over to the Hungarians for commercial use and directed jointly by Italians and Hungarians.

The formal annexation of Fiume to Italy was proclaimed on March 16. On the day before it was announced that the King had conferred the Order of the Annunziata, the highest rank of knighthood in Italy, on Gabriele d'Annunzio, hero of the Fiume expedition. The honor was conferred at the request of Mussolini, who asked for it in a letter that praised in the highest terms the poet and hero. On Sunday, March 16, the King was at Fiume for

the impressive ceremonies and processions that marked the annexation of Fiume.

A recent act of Italy will tend to make Yugoslavia more friendly toward the development of commercial relations with Italy. Mussolini has notified the Belgrade Government that Italy has renounced the right of absolute priority in the recovery of the cost of the occupation of Bulgaria. This action not only puts Yugoslavia in a better position for future reparations; it means that Yugoslavia can participate in the distribution of 2,500,000 gold francs deposited by Bulgaria on Oct. 31, 1923.

The Teapot Dome oil scandal has had its effect in Italy. The Italian Government was arranging a concession of Italian oil fields to Harry F. Sinclair, but after the revelations from Washington Mussolini directed that the arrangements be broken off. An Italian private company is expected to take over the search for oil, which so far has proved most fruitful in Emilia and in the Abruzzi. Italian oil interests are seeking concessions in Rumania and Russia.

Italy, as always, is facing the question of what to do with her surplus population. A shortage of employment in South America has led to the temporary suspension of immigration in that direction. The restriction of immigration in the United States and the ills attendant upon the execution of the present law continue to be a source of constant irritation in Italy, and the prospect of the Johnson bill, which may enact new and more severe restrictions when the present law expires on June 30, is causing even greater anxiety. The Italians feel bitterly that the present and the proposed regulations class them as undesirable aliens. An Italian correspondent from New York, writing in the *Corriere della Sera* for Feb. 15, asks what innovations there are in his native land to justify Secretary Davis's reference to strange gods and unknown rites brought by men "from the distant valleys of the Volga and the Don, the Danube and the Po, the Tigris and the Euphrates." The limitation on immigration to the United States has led Italy to remove several large liners, among them the *Dante Alighieri*, from the New York service and

send them to Canada. In spite of the unfavorable conditions existing for emigration, there were 400,000 emigrants in 1923, an increase of 104,000 over 1922, and of 93,000 over 1921. Mussolini's policy is to encourage and regulate emigration as much as possible.

Between Italy and Great Britain the settlement of the boundary of Italian Somaliland (Italian Northeastern Africa) and British Jubaland has become a subject of some strain. Early in February Arthur Ponsonby, Under-Secretary of Foreign Affairs in the Labor Ministry, when asked in the House of Commons about the question, replied that the final settlement would "have to include an equitable arrangement respecting the connected question of the status of the Dodecanese." The Italian Government does not admit that the status of the Dodecanese, the Greek islands occupied by Italy in the war with Turkey, is a "connected question." The rectification of the boundaries of Somaliland is claimed by Italy on the basis of Article XIII. of the Treaty of London, which brought Italy into the war in 1915.

A conference of naval experts, the purpose of which was to apply to the smaller nations the principles of the Washington conference, met in Rome on Feb. 14 under the auspices of the League of Nations. Like the Washington conference, this assembly confined its discussions to the subject of capital ships, not mentioning the smaller craft. The chief sensation of the conference was the demand of the Russian delegate, Admiral Behrens, that the Black Sea and the Baltic be closed Russian zones, and that Russia be allowed a tonnage equal to Great Britain. Though his country is in no condition to construct a fleet at present, the representative declared, she could not bind herself for the future. The Spanish representative, Vice Admiral de Magey, being unwilling to diminish at all the amount of tonnage demanded by his Government, withdrew on Feb. 24 from participation in the conference, though he remained in Rome as a spectator. The meetings were held in deep secrecy; since they were only in the nature of a conference of experts, they could hardly be expected to be conclusive.

EASTERN EUROPE AND THE BALKANS

By FREDERIC A. OGG

Professor of Political Science, University of Wisconsin

The Balkans still in turmoil—Bulgaria suspected by her neighbors—The question of a republic convulsing Greece—The fall of the Hungarian crown—Yugoslavia's difficulties with her racial minorities—Poland's finances in bad shape



FREDERIC A. OGG

NOTWITHSTANDING ratification at Sofia on Feb. 11 of the provisions of the Lausanne Treaty fixing the frontiers between Bulgaria and Greece and between Bulgaria and Turkey, and also of an agreement between Bulgaria and Yugoslavia concerning the amount due Serbia for the Bulgarian requisitions during the great war, Bulgaria continues an object of suspicion on the part of her neighbors and, indeed, a veritable storm-centre of Balkan politics. She is charged with encouraging the Macedonians of Eastern Serbia to rebel against Yugoslav rule and with permitting Bulgarian soil to become the scene of a vigorous anti-Serb propaganda whose inevitable result will be war. On March 4 Premier Tsankoff categorically denied the accusations, asserting his country's intentions to be "entirely pacific," and saying that one hundred and fifty of the agitators had been arrested, that repression would continue until all who remained were in custody, and that "if this final heroic measure to suppress the Macedonian movement in our territory fails to make Serbia and other countries abandon their policy of unjustly suspecting us and misrepresenting our attitude toward the great powers, we shall know they have ulterior motives." The Macedonian refugee organization, said to number 600,000 adherents, has protested to the Premier, pointing out that the refugees of all other

nationalities are welcome in Bulgaria and asking why an exception is made in the case of the Macedonians, who entered Bulgaria "to escape the persecution of the Serbian authorities." The arrests, however, have continued; and keen disappointment has been expressed because Yugoslavia does not seem to regard the Sofia Government as sincere in its efforts to preserve peace.

There have been charges, also, in the Greek press that Bulgaria is organizing bands to be sent into Thrace preparatory to a general mobilization and invasion of Greece. In rebuttal, Colonel Voulkoff, Bulgarian Minister of War, declared on Feb. 23 that not only were these accusations groundless, but that Greece and all other powers knew that Bulgaria, in her present weakened condition, could not undertake war even if she wished to do so.

Of the truth of this assertion there can be little doubt. As M. Panaretov, Bulgarian Minister to the United States, declared in an address in New York on Feb. 3, Bulgaria has not at present the organized military strength requisite for even the maintenance of internal order. But it is equally true that Bulgarian feeling runs high because of the failure, after more than four years, to receive from the powers the compensation—notably the outlet on the Aegean Sea—promised in the Neuilly Treaty; and Bulgar apologists are

probably right in saying that Macedonia will continue to be as menacing to the peace of the Balkans and of Europe as ever it was, so long as the unconquerable Bulgarian elements of its population are not recognized by Belgrade in accordance with the treaty's clauses for the protection of minorities.

On Feb. 16, representatives of the Socialist Party visited Premier Tsankoff and requested him to resign in order to clear the way for a Parliamentary Government. On the ground that the existing coalition Government enjoys the confidence of the Sobranje, the Premier refused; whereupon the Socialists withdrew their support and the Socialist Minister of Railways, Dimo Zazassoff, tendered his resignation, which was accepted.

CZECHOSLOVAKIA

ELECTIONS to the Czechoslovak National Assembly were held for the first time in Podkarpatska Rus, or Sub-Carpathian Ruthenia, otherwise known as Russinia, on March 16. This former Hungarian possession, with a population of about six hundred thousand, comprises the extreme southeastern portion of the present Czechoslovak Republic and was joined with that State, on its own motion, in 1919, on special terms of autonomy. Elections have not been held there hitherto because of the necessity, as it seemed to the authorities at Prague, of preparing the way by an extended series of cultural and administrative reforms; although the delay caused much restlessness in the territory. The elections were carried out on the basis of universal suffrage and proportional representation, as in other parts of the republic.

Social legislation and tax reforms are mainly absorbing the attention of the National Assembly during its Spring session. Under the first head, prominence has been given to bills for the protection of tenants, the organization of labor exchanges, the relations of employers and employes in Slovakia and Russinia, and the abolition of feudal tenures. Under the second head, the principal task is the supersession of the old forms of direct taxes, differing in the various constituent parts of the republic, by a new system of taxation whose pivot is to be the income tax.

As a result of a scandal arising out of legislation favorable to agrarian cooperative liquor distillers, M. Tucny, Minister of Posts and Telegraphs, tendered his resignation at the end of February and President Masaryk accepted it. Somewhat earlier, Karl Prashek, Agrarian leader and President of the Senate, resigned for a similar reason.

GREECE

THE question of the establishment of a republic continued throughout the month to overshadow all else—not so much the question whether a republic should be set up (for this was practically determined earlier) as rather the question of the time at which, and especially the manner in which, the thing should be done. Successive heart attacks compelled Venizelos, at the beginning of February, to relinquish the Premiership after holding it but a few days, and foreign States which had resumed official recognition of the Greek Government on the strength of Venizelos's restoration to power were considerably disappointed. Two facts, however, tended to save the situation. First, at the request of the Regent (Admiral Koundouriotis), George Kafandaris, Minister of Justice, made up a government, which was sworn in on Feb. 6, composed entirely of Venizelists; and second, Venizelos himself, whose physical condition proved not to be immediately serious, announced his determination to remain at Athens and give the benefit of his experience and advice not only to the new Kafandaris Ministry but to the nation at large, irrespective of parties. Finding that the situation was shaping up definitely for a republic and that the Glücksburg dynasty was so bitterly hated that it could be maintained only by sheer force, Venizelos agreed that a republic should be established, but insisted that in order to convince Great Britain and other foreign powers that the step was not a mere coup d'état, there should be a plebiscite, under conditions that would guarantee a free expression of opinion. Republican leaders objected that to arrange for the referendum on the lines which the former Premier proposed would require many weeks of delay and that meanwhile the country would continue in an unsettled



M. PAPANASTASSIAN
Founder of the Greek Republican Party,
who has just become Premier of Greece

state and the royalists would be tempted to conspire and perhaps rebel.

Throughout the period under review the Assembly witnessed an acrimonious exchange of opinion on these lines. Through the Bank of England, Henry Morgenthau, head of the League of Nations commission for the succor of the Greek refugees, ascertained that the British Government would not object to the deposition of the Holstein-Glücksburg dynasty by simple vote of the Assembly if it was felt that this would result in political stability; and, with this assurance, Venizelos came to the position that it would be proper for the Assembly to declare the dynasty ended, subject to later confirmation by a plebiscite. The Kafandaris Government, however, did not agree and refused to allow the passage of a bill declaring the rights of the dynasty forfeited. The extreme Republicans withdrew from the Assembly in protest, and in their absence the bill abolishing the dynasty was defeated, on Feb. 27, by a vote of 192 to 18, and a Government bill for the holding of a plebiscite was passed unanimously.

Arrangements for the referendum were

forthwith begun. During the first week of March the situation again became critical, however, when 2,500 army officers united in a written demand that the plan be canceled and a republic be proclaimed immediately. The Premier refused to receive a deputation from the group, declaring that it was impracticable to discuss political matters with army officials. But the envoys went to the Regent, on March 7, were received by him, and apparently obtained assurances of his support. At all events, the Premier was called to the palace, and within twenty-four hours the Cabinet resigned. This left the Republican and militarist elements, which for some time had been trying to force the Government's hand, in full control of the situation, and it was assumed that a measure extinguishing the rights of the Glücksburg dynasty would follow as soon as a new Cabinet was installed. After consulting with various leaders, the Regent, on March 9, commissioned the Republican leader Papanastassian to form a Ministry, though it was doubtful whether the effort would be successful.

Meanwhile, on March 4, ex-Premier Venizelos wrote to the Regent that he had been mistaken when he thought he could be useful to his country, and on March 8 he announced that within a week he would again go into exile.

HUNGARY

THE outstanding events of the month were a severe financial panic which reached its crisis during the week of Feb. 17, the definite announcement of the country's acceptance of the long-discussed League of Nations receivership, and the unofficial announcement that Mr. W. P. G. Harding, former Governor of the United States Federal Reserve Board, had been selected as Commissioner General of the League for the carrying out of the rehabilitation plan. Prolonged delay in reaching an agreement upon the terms of the receivership, entailing repeated postponements of the much-needed foreign loan, had a disastrous effect upon the position of the crown and upon the country's economic situation generally. A state of things growing steadily worse for some weeks came to a crisis at the middle of

February, when within the space of three days, the value of the dollar rose from 73,000 crowns to more than 100,000, involving a serious loss in the purchasing power of the crown. Prices rose violently, popular demonstrations caused considerable disorder, and the Minister of Finance was forced to resign. The leading banks advanced \$1,000,000 to the Government, and prompt announcement that the League receivership—to be followed by a foreign loan—was a certainty, turned the tide—although the currency has been slow to recover its former level and prices remain much higher than before.

Mr. Harding sailed from New York on March 1, saying that he would not decide whether to accept the post for which the Reparations Commission had chosen him (subject to confirmation by the Council of the League) until he should have conferred with the persons most familiar with the situation. It was expected that he would visit Budapest in company with a special delegation of the League, led by A. E. Janssen of Belgium. Foreign Minister Bethlen seemed to express the general Hungarian attitude when he said that it would be very gratifying to have an American as Controller. The extreme pessimism which was the underlying cause of the panic has been relieved, but impartial observers of Hungarian affairs realize that the task of the Commissioner General will be one of almost infinite difficulty; for he will be charged with full responsibility for bringing the League's program to a successful issue, with guarding the interests of subscribers to the coming international loan and with representing the League in political matters affecting Hungarian relations abroad, which, it may be added, promise to be far from placid.

The \$50,000,000 loan is to be secured, as was the case in Austria, by specific revenues, including the customs receipts, the tobacco and salt monopolies and the sugar tax; and it is hoped that two-fifths of the amount can be raised in America.

YUGOSLAVIA

STRONG Separatist aspirations, on the part especially of the Montenegrins and the Croatians, continue to disturb those who are responsible for the conduct of

Yugoslav public affairs. The grievance of the Montenegrins goes back to the Franco-Yugoslav occupation of the country during the war and springs especially from the charge that their constitutional liberty was taken away entirely against their will and that since 1919 the union with Serbia has been little better than an armed occupation, attended by great cruelty and injustice. Not all of the inhabitants of the Montenegrin territories feel so strongly on the subject, but the number of those who do so creates a serious problem at Belgrade.

Equally hostile is opinion in Croatia, where there has been a strong disposition to boycott the Belgrade Government as a means of compelling it to concede autonomy, or even complete independence. During February ninety-six Croatian representatives did, indeed, decide to take their seats in the Skupshchina, or National Parliament, after four years of abstention. But they did so not because they felt that their cause was lost, but with a view to joining the Opposition, ousting Premier Pashitch, procuring new elections, defeating the Italo-Yugoslav treaty concerning Fiume, revising Balkan policy, and eventually establishing Croatian independence. The Fiume treaty was ratified by the Skupshchina on Feb. 19.

POLAND

M. R. HILTON YOUNG, formerly Financial Secretary to the British Treasury, and more recently employed as unofficial financial adviser to the Polish Government, returned to London in the middle of February, after submitting to the authorities at Warsaw a detailed report on the result of his inquiries. The report shows that, contrary to impressions in some quarters, Poland has not as yet really balanced her budget; that military expenditure still consumes almost exactly one-third of the national outlay; and that deficits have been covered by inflation, which is the true source of the country's financial troubles. Mr. Young sums up by emphasizing that, though a good beginning has been made toward rehabilitation, "the first step is not the whole journey." The Government is recommended to seek the services of foreign advisers, particularly on revenue administration.



ALEXANDER PETRUNKEVITCH

RUSSIA AND THE BALTIC STATES

By ALEXANDER PETRUNKEVITCH
Professor, Yale University

Solidarity the aim of Bolshevik leaders following Lenin's death—Alexis Rykov, Lenin's successor as Premier, head of both Federal Government and Soviet Republic—Economic problems facing new regime—Difficulties of foreign trade—Finland, Latvia and Estonia

THE immediate effect of Lenin's death on the situation in Russia was to cement temporarily the break in the ruling party. In a letter written from Tiflis, Georgia, on Jan. 22 and published in *Izvestiya* on Jan. 24, Leon Trotsky expressed himself in the following words: "Let the pain which we feel in our heart when we think that Lenin is no more be to every one of us a reminder, a caution and a command: thy responsibility is increased! Be worthy of thy instructor, of thy leader. Stricken with grief, we must close our ranks and face new struggles with united hearts." Similar sentiments were expressed by other leaders. All realized that with the loss of their leader solidarity meant self-preservation. The best evidence of this was the reappointment of Trotsky as Secretary of War in the new Government, despite the fact that shortly before he had been censored by the majority of the Bolshevik Government.

The newly constituted Federal Government is made up as follows:

ALEXIS RYKOV—President.
M. KAMENEV—Vice President.
GRIGORI TCHITCHERIN—Minister of Foreign Affairs.
LEON TROTSKY—Minister of War.
LEONID KRASSIN—Minister of Foreign Trade.
M. RUDZUTUK—Minister of Transport.

M. SMIRNOV—Minister of Posts and Telegraphs.

M. KUBISHEV—Minister of Labor Inspection.

M. SCHMIDT—Minister of Labor.

M. BRUKHANOV—Minister of Food.

M. SOKOLNIKOV—Minister of Finance.

M. DZERZHINSKY—Chief of Supreme Economic Council.

M. TSURUPA—Chairman of Labor and Defense.

M. CHUBAR and M. ORAKESHVILI—Chairmen of Gosplan (The State Planning Board).

The Government of the Russian Soviet Republic, which must be distinguished from the Federated Government and which is administered through the so-called Sovnarkom (an official abbreviation of "Soviet narodnikh Kommisarov," or Soviet of People's Commissars), is thus distributed:

ALEXIS RYKOV—President.

M. SMIRNOV—Minister of Agriculture.

M. KALMANOVITCH—Minister of Food.

M. VLADIMIROV—Minister of Finances.

M. BAKHMUTOV—Minister of Labor.

M. BIELOBORODOV—Minister of the Interior.

M. KURSKY—Minister of Justice.

M. LUNACHARSKY—Minister of Education.

M. SEMASHKO—Minister of Health.

M. YAKOVENKO—Minister of Social Welfare.

M. TCHERNIK—Minister of Workers and Peasants' Inspection.

M. BOGDANOV—Chairman of Supreme Economic Council.

On account of ill health Rykov left Moscow for the Caucasus on Feb. 26; and Kamenev and Tsurupa were named as his substitutes.

The most important problems before the Soviet Government are of an economic nature. With Dzerzhinsky at the head of the Federal Supreme Economic Council, State ownership has for the first time the opportunity to show what can be accomplished under that system. The Gosplan, or State Planning Board, and the Supreme Council are expected to work in co-ordination and both have increased powers. During the last year State industry recorded a loss of between 250,000,000 and 400,000,000 gold rubles, whereas private industry, according to official computations, made a net profit of from 100,000,000 to 150,000,000 gold rubles. The peasants received a low price for nearly all their products, while the prices of manufactured goods remain high because of the high cost of production in nationalized industries. The discrepancy between the prices of town and village produce has reduced the internal market considerably and the village market is still narrower than the urban. The State organizations made practically no profits, while private middlemen and traders made profits estimated at from 500,000,000 to 750,000,000 gold rubles. Attempts have been made to reduce internal food prices by fixing the price of bread in Moscow. Dzerzhinsky has appointed a commission to organize the sale of grain by State organizations to retail traders, eliminating wholesale dealers. High prices of food in Moscow were due in part also to heavy snowfalls and consequent difficulties in transportation. The probability of crop failure in the rich Don basin now threatens a further rise of bread prices in cities. *Pravda* on Feb. 13 stated: "In the Volga territory the conditions are ominous for wheat, oats, and barley crops. Our duty is to give warning of the danger."

Worried by the economic crisis, the Government is paying special attention to the "linking up" of town and country. More intensive propaganda among the peasants has been advocated for the purpose of teaching them that their welfare is intimately connected with that of the in-

dustrial workers. This propaganda is to be carried on through the press and through special committees and is to be chiefly of an economic, technical and educational character, while anti-religious propaganda is to be lessened. At the conference of the Third International, Zinoviev stated that the Communist Party membership, which once counted 800,000, had dropped to 286,313. Of these 100,000 were officials, 73,000 peasants and only 5,000 factory workers. To strengthen its own influence the Communist Party started a campaign for new members. The campaign resulted in the acquisition of 150,000 new members and so elated the leaders that *Pravda* advocated a new campaign for 1,000,000 proletarian members from among workmen and peasants.

In order that the Soviet Government may always be advised as to Lenin's plans for the future of the Communist State, his widow has been made a member of several important bureaus.

The Government announced on Feb. 5 that a Central Asiatic Bank with a capital of 7,500,000,000 gold rubles was to be formed for commerce and trade with Turkistan, Mongolia, Bokhara, Kiva, Afghanistan and North Persia, as well as for the industrial development of these eastern nations. New silver coinage was issued for the first time under the Soviet régime on Feb. 26. The coins are of small denomination, worth 5, 10 and 20 cents. The plan calls for \$50,000,000 worth of silver and copper coinage to be put in circulation during the present year.

The position of foreigners in Russia is still far from being safe. Mr. John Doreb, a photographer, was arrested in Moscow for photographing Lenin's funeral. A French emigrant, Professor Clair, was accused of having furnished secret information concerning the condition of the platinum industry in the Ural to the head of the French Red Cross. He was tried for "economic espionage" and sentenced to death, but the sentence was commuted to ten years' imprisonment. Captain Matsui of the Japanese General Staff and two interpreters, Harai and Mita, were arrested in Vladivostok on Feb. 26 and a search was made of the Captain's residence. The concession granted to a German citizen,

Otto Wolff, and the German Trading Company, one of the largest concessions granted by the Soviet Government last year, was revoked on Jan. 30, the Soviet authorities alleging that Wolff had made a profit of 400 per cent. on his capital, but that he had failed to produce the stipulated credit for 7,500,000 gold rubles.

The difficulties of foreign trade with the Soviet Government have been clearly demonstrated by the decisions of the French courts in two cases, one involving a cargo of silk purchased by a Marseilles firm, the other a cargo of oil. In both cases the former owners have brought suit against the French concerns which transacted the deal with the Soviet Government. Since the French Government has not yet accorded recognition to the Soviet Government, the verdict in both cases was in favor of the plaintiffs. Premier Poincaré explained to the French Association of Oil Importers that trade with Russia must be at the importers' own risk, but that the claimants, in case they bring suit in French courts, must produce satisfactory evidence that the goods in question were their property under the old régime. The decision of the courts has caused a great deal of consternation in governmental circles in Russia.

It is only natural, therefore, that countries which desire to establish trade with Russia and which believe that the Soviet form of government is a stable one and will last for some time to come, should be willing to recognize the Soviet Government *de jure*. The wisdom of such a course may be doubted, on the ground that under the existing Constitution the Soviet régime is not a truly representative Government, and that it did not give the Russian people a chance to express their approval or disapproval at the polls. Legal complications for foreign traders may arise in the future in case the Soviet Government is forced out of office. For the present the power is firmly in the hands of the Soviet Government, and recognition opens a new market. Great Britain recognized Soviet Russia on Feb. 1, and Austria, Italy and Norway followed suit. A special commission is to consider the question of the Russian debt to Great Britain and the claims of British subjects who suffered

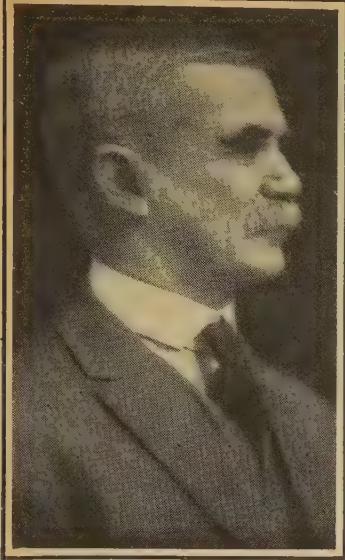
losses through the nationalization of property. The Russians on their part are reported as having prepared a bill of counterclaims and are at the same time seeking to obtain from Great Britain a loan of £300,000,000.

THE BALTIC STATES

FOLLOWING the resignation of the Finnish Cabinet on Jan. 16, an interim Government headed by Professor Cajander was formed and the announcement made that the elections to the Dict will be held in April. An international banking group, of which the National City Bank of New York is a member, has extended to the Government of Finland a credit of \$6,352,000, equivalent to 250,000,000 finmarks. The credit is for the establishment of balances in New York, London and Stockholm and is exclusively for purposes of stabilization of the foreign exchange quotation.

A new Latvian Cabinet was formed on Jan. 30 with Dr. Samuels as Premier, holding, temporarily, also the posts of Minister of Foreign Affairs and of Justice. The Latvian budget for 1924, with an estimated income of 147,108,016 gold lats (a lat equals 19.3 cents) and expenditures of 137,001,294, was adopted by the Cabinet.

Many Communists have been arrested by Estonian authorities in Tallin and other cities. M. Einbund, Minister of the Interior, charged that the Soviet Legation and the Third International had cooperated with the Estonian Communists and furnished them funds. The Soviet envoy, M. Stark, handed a note to the Estonian Government demanding an explanation, and before receiving a reply, followed it up with a second note. The Estonian Government replied that it was in possession of documents proving indisputably that the Soviet Legation had acted as an intermediary for the transfer of money from Moscow to Estonian Communists, together with detailed instructions for the organization of a plot aiming at the overthrow of the existing order by violent means.



OTHER NATIONS OF EUROPE

By RICHARD HEATH DABNEY
Professor of History, University of Virginia

Primo de Rivera beset by difficulties—Morocco still a thorn in the Spanish side—Internal unrest apparently increasing—The impairment of Portuguese credit—Americans “unofficially” participating in League of Nations activities

RICHARD HEATH DABNEY

THE Spanish Dictator, Primo de Rivera, announced soon after seizing power that he wished to extricate Spain from her Moroccan entanglement. This, however, proved to be easier to say than to do. An individual sometimes has the sense and the courage to confess his folly and to change his mind. But large organizations such as nations and political parties rarely rise to that height. Spain is a weak country. For many years she persisted in squandering money and lives to maintain an impotent grip upon her colonies, until the United States tore them from her grasp. And now, though many of her sensible citizens see that her Moroccan territory is a mere festering sore, it is doubtful whether either the Dictator or any one who may shortly take his place will have the courage to let Morocco go. The rebels of the Riff are said to have captured a column of the Spanish Foreign Legion; to have brought down four Spanish airplanes; to have set fire from their own airplanes to the railway station at Melilla; to have shelled a Spanish cruiser and killed the Captain and other officers and men; and to be close to Melilla, 80,000 strong, under their leader, Abd-el-Krim. Under these circumstances Spanish troops at La Liner and Algeciras have been hurriedly dispatched to Melilla, while three brigades are being embarked from Spanish ports. But the report that some of the troops at Malaga have muti-

nied is an ominous sign that the public is getting weary of the business. Diplomatic circles in Paris believe that the Moroccan troubles will lead to the early fall of Rivera, whose position has been already weakened by other causes.

If this opinion be not wholly correct, it is quite certainly more nearly so than the statement of the Spanish Embassy in London, in February, that “the Military Directorate is working more smoothly every day and enjoying greater esteem on the part of the Spanish people,” or than the very same assertion by the same embassy that “no Spaniard at present thinks that a change in the Government is even remotely possible.” This sounds as if the Ambassador were “whistling to keep up his courage.” If Rivera himself felt so confident, he would perhaps not have appointed General Weyler (who withheld his support when the Military Directorate was set up) as President of the Supreme Council of Naval and Land Defenses. If “no Spaniard” thinks a change in the Government “even remotely possible,” it is a bit strange that it should be considered necessary to exile Señor Soriano, former Republican Deputy, for criticizing the Government, and to close the Athenaeum Club in Madrid, where he uttered the criticism. And why exile Professor Unamuno of the University of Salamanca for propagating “subversive theories”? Why threaten to close any university whose professors crit-

icize the Government? On Feb. 23 Rivera said: "Extravagant speech by auto-intellectuals must not disturb the lives of Spanish citizens and suffocate discipline, without which the nation would sink into chaos."

The London Times of Feb. 2 contained a letter from its Madrid correspondent announcing the publication, with the approval of Rivera, of an amazing speech by King Alfonso at Cordoba in May, 1921, which was suppressed by the Government in power at that time. In it the King stated that, though he could offer his life to his country, he was without power or responsibility with regard to any scheme of reform. Responsibility, said he, was with Parliament, and "Parliament is not living up to its duties. * * * There is profuse debate, in which the desire to improve the project does not appear, but rather a desire that it shall not prosper, for the better service of political purposes. Time passes and the Government falls; other men take office and again the King signs the scheme for presentation, and those who formerly supported it but could not secure its passage, by law of political logic, being in Opposition, oppose it. * * * I feel the necessity for the provinces to start a movement in support of the King, and then in Parliament the welfare of the nation and not political interests, will triumph.

PORTUGAL

THE earthquake in Lisbon on March 2 was a much less serious matter than the blow to Portuguese credit which occurred on Feb. 11, when the Premier and the President coolly issued a decree announcing that, since the escudo continues to depreciate, the interest on the loan of £4,000,000 issued by the Government last June would not be paid in gold as promised. Parliament was not responsible for this; but perhaps the resolution of the Chamber of Deputies two days later, authorizing the Government to suspend application of any law involving increases of expenditure, may encourage the Government to repudiate other debts. On the night of Feb. 22 a crowd estimated at 50,000 marched to the Government and Parliament buildings in Lisbon and demanded measures to lessen the cost of liv-

ing and improve the public administration. It is considerably harder, however, for a Government to lower the cost of living than to repudiate debts.

The Portuguese War Minister has resigned because Parliament ignored his advice in regard to the promotion of some 150 sergeants.

SWITZERLAND

AMERICANS have, as usual, been taking part "unofficially" in various activities of the League of Nations, e. g., in the Memel dispute, in the refugee problem in Greece and Turkey, in the financial troubles of Hungary, in the question of reducing armaments, and so forth.

In Geneva, which has been transformed from a quiet town into a most important world centre, the League of Nations Commission for the reduction of armaments met on Feb. 2 and was informed by Joseph C. Grew, American Minister to Switzerland, that the American Government felt a sympathetic interest in its labors, and that he would transmit to Washington any recommendations formulated by the commission. He was present at the dramatic scene when eminent men of many lands, addressing a large and reverent gathering, uttered glowing eulogies of Woodrow Wilson, the great advocate of friendship, cooperation and peace among nations, instead of hatred, isolation and war. Mr. Grew was asked, moreover, to serve on a sub-committee which will meet in Paris on March 24 to draft conventions covering proposals put forward at the Geneva meeting, and will serve unless our Government objects.

On March 14 the League accepted the report of the Memel Commission, headed by Norman H. Davis of New York. This report recommended that Lithuania be granted sovereignty over the Memel district, under conditions safeguarding international rights on the Niemen River. England, France, Italy, Japan and Lithuania acquiesced, while Poland dissented.

On March 14, also, the delegates of the Little Entente and Hungary agreed on a political protocol which removed all obstacles to the application in Hungary of the financial measures which saved Austria. The day also saw an agreement between

Germany and Poland to accept League arbitration in disputes over the treatment of German minorities in Poland.

The proposal of the Swiss Federal Council that it be permitted, in times of serious crisis, to extend the working week from 48 hours to 54 was defeated in a referendum on Feb. 17 by a majority of 116,100 votes.

HOLLAND

A GROUP of Germans, including a brother of the well-known politician Dr. Helfferich, and Duke Adolf of Mecklenburg, brother of the Dutch Prince Consort, have asked for a concession from the Dutch East Indies Government to explore and exploit the Dutch West and North New Guinea, a region five times as large as Holland, for 75 years, offering 10 per cent. of the profits to the Dutch East Indies. Duke Adolf has discussed the matter with M. de Graaff, the Minister for the Colonies; and the latter's great reluctance to answer questions in the Second Chamber has increased the uneasiness felt in Holland. Such papers as the *Telegraaf* and the *Handelsblad* are not satisfied with the Minister's reluctant denial that the concession would be granted.

In Java a Dutch police officer and 27 natives were killed in a riot before the police could suppress religious fanatics desiring to proclaim a new Kingdom of Mount Gedeh.

Announcement was made, late in February, of the discovery of oil in Eastern Holland. It has not yet been determined if the oil beds are of commercial importance.

NORWAY

ACCORDING to Haakon H. Hammer, Norwegian Consul at Seattle and personal representative of Captain Roald Amundsen in America, the explorer is willing that the United States annex any land he may discover in his proposed transpolar flight. But according to Arne Kildal, official Norwegian press representative in America, Captain Amundsen has in no way given his consent to such annexation. At all events, Lieutenant Ralph E. Davidson, of the American Naval Air Service,

expects to take part in Amundsen's attempt to reach the pole by a flight from Spitzbergen to Point Barrow, Alaska, and is now on his way to Pisa, Italy, where two Dornier "whales," a new type of airplane, are being constructed for the flight. The ordinary compass having proved useless in Amundsen's attempt last year, he has designed a new "sun compass."

Norway has unconditionally recognized the Soviet Government of Russia, and the latter will probably recognize Norway's sovereignty over Spitzbergen.

SWEDEN

THE defense plan of the Trygger Cabinet has been strongly opposed in the Riksdag. The Social-Democrats proposed reducing the defense budget from \$37,000,000 to \$23,000,000 and cutting in two the periods of military service provided in the Trygger plan. Military experts, on the contrary, denounce the Government plan as inadequate for the national defense.

The Riksdag has passed a bill introduced by the Government repudiating the agreement whereby for the last fifty years Sweden, Norway and Denmark have accepted each other's currency at par. The Government has presented a bill to the Riksdag, providing for a return to gold currency standard practically without delay.

The combined net profits of eight leading Swedish banks in 1923 totalled \$10,000,000. The Swedish Government, however, is reported to be negotiating in New York for a loan of \$20,000,000, as a means of currency stabilization and for other purposes. Sweden's unfavorable balance of trade in 1923 amounted to 206,000,000 crowns.

DENMARK

IT was officially announced in Copenhagen on Feb. 9, that King Christian and the Privy Council had sanctioned the engagement of Prince Viggo and Miss Eleanor M. Green of New York. The wedding date has not yet been fixed.

Denmark suffered on account of the British dock strike, as she exports large quantities of butter, eggs and bacon to Britain.

TURKEY AND THE NEAR EAST

By ALBERT HOWE LYBYER
Professor of History, University of Illinois

Expulsion of Caliph another sign of the New Turkey's break with the past—King Hussein of the Hedjaz accepts the Caliphate—Work at Tut-anh-Amen's tomb stopped by Howard Carter's break with Egyptian Government—A Nationalist Government in the saddle in Egypt



ALBERT HOWE LYBYER

THE Ottoman Turks, leading disturbers of European tranquillity during the past six centuries, provided the world with a fresh surprise when on March 3 the Angora Assembly voted the abolition of the Caliphate and the expulsion from Turkey of all members of the House of Osman. Though there had been some previous discussion of this drastic step, few observers expected it to be taken so suddenly and carried out so rapidly.

The Angora Assembly has shown itself from its beginning four years ago exceedingly independent of precedents either in the Moslem or the Christian world. This quality was somewhat suppressed during the struggle to expel foreign influence and obtain peace. After the defeat of the Greeks in the Autumn of 1922, life was made very uncomfortable for Mohammed VI, the Sultan-Caliph, chiefly on the ground that he had fallen in with the plans of those who would destroy Turkish independence by enforcing the harsh Treaty of Sèvres. After Mohammed VI. had fled, the office of Sultan was abolished, and on Nov. 1, 1922, the heir apparent, Abdul Mejid, was proclaimed Caliph. Abdul Mejid had behaved very correctly during the allied occupation and it was generally believed that the Turks would consider him an asset rather than a liability. A mild-mannered gentleman of literary and artistic tastes, he was expected to live quietly in Constanti-

nople and to abstain from political intrigue.

As Caliph, Abdul Mejid II. found that time hung heavy on his hands. Almost no religious duties pertained to his office, and none were provided for him. His main activities were confined to growing a beard and riding to mosque every Friday with a part of the splendor which used to attend the Selamlik of Abdul Hamid II. He uttered some gentle complaints at the emptiness of his life. Some of his friends, notably the Aga Khan and Ameer Ali, urged with vigor that he be assigned a position and duties, comparable perhaps with those of the Pope in the Roman Catholic Church. It is alleged also that a considerable number of Turks were planning to overthrow the Angora Republic and to substitute a limited monarchy, in which Abdul Mejid II. would be Sultan as well as Caliph.

The expulsion of the Caliph appears to be closely related to the recovery in health of President Mustapha Kemal Pasha. After some two months' retirement he began activities in the first week of February by receiving a group of editors of Constantinople newspapers. After long conferences, the President appears to have convinced even bitter opponents of the desirability of his policy. During the next three weeks he was in frequent conference with the leaders of the recent War of Liberation.

Thirty Generals took part in a series of hollow title. With subtle humor they council meetings and war games. Then, on March 1, Kemal appeared before the Assembly at Angora and announced in general terms his immediate program. He proposed that religion be divorced from politics, and that the educational system and the judicial organization be separated from their connection with the Moslem Church. The President's influence is shown by the fact that though bitter opposition developed on the part of a few Deputies, the Assembly two days later ordered the complete fulfillment of his program. In a country where a few years before the step would have seemed impossible, Church and State were completely separated.

The practical results of the Assembly's actions are that the civil list of the Caliph and his relatives is suppressed, partial compensation being allowed in very modest lump sums, and that education is to be made entirely secular, which involves the suppression of the special system of schools of primary and higher grades based upon the Koran. A reorganization will be effected of the courts of justice, which will be simplified by the abolition of the ecclesiastical courts, whose Judges and consulting lawyers (the Muftis) have had special training in Mohammedian law.

The ruling group in Turkey appears convinced that the Caliphate was a sham and that its power was non-existent. Thus nothing has been lost to Turkey by its abolition. If it possessed any powers, these now belong to the National Assembly. Turkey could look on with indifference, or even amusement, while Moslems of Arabia, Egypt, Morocco, Afghanistan and India were contending for the

and Italian statesmen to rescue this bauble from the hands of the English. The triumph of British diplomacy was made manifest on March 7, when it was announced that King Hussein of the Hedjaz, Great Britain's Arab Protégé, had accepted an offer of the Caliphate from the Moslems of Mesopotamia, Transjordania and the Hedjaz and had been formally proclaimed Caliph in succession to Abdul Mejid. The British view was that in view of King Hussein's direct descent from the Prophet Mohammed, his designation as Caliph would find acceptance in a large part of the Moslem world.

Abdul Mejid, accompanied by his son, Prince Omar Farukh, his young daughter, two of his wives, and some servants, proceeded from Constantinople to Territet, in Switzerland. All other persons of the blood of Osman hastened to leave Turkey within the ten days allowed. Thus was completed perhaps the most spectacular revolution of recent times. The expulsion of the Caliph necessitated the reorganization of the Turkish Cabinet. Ismet Pasha resigned on March 6 and was at once asked by the



Underwood

Abdul Mejid, who has been deposed as Caliph and expelled from Turkey, starting for a ride. The photograph was taken outside the Dolma Bagdache Palace at Constantinople not long before the Caliph's deposition

President to form a new Ministry, which he accomplished on the following day.

The commission for drafting a new Constitution has decided to apply the title "Turk" to all citizens of the republic regardless of their religious beliefs. This represents an apparent reaction from the previous policy of discharging all non-Moslem employes. It is intended that there shall be henceforth no minorities who can claim special rights and expect the support of outside Governments.

Signor Montagna, former Italian Minister at Athens and representative at the Lausanne Conference, began early in February his duties as Minister to Turkey. He will reside in Constantinople, making frequent journeys to Angora for the discussion of important problems. Smaller matters will be handled through the Turkish Government's representatives at Constantinople.

The Government desires to employ 100 foreign experts as advisers. The Finance Minister estimates the deficit for 1924 at only \$5,000,000. He estimates receipts of \$9,000,000 from revenue on alcoholic liquors, thus reversing the prohibition policy of last October. Money was appropriated to purchase the Anatolian railway for the Ottoman State. Negotiations began on Feb. 15 for transforming the Ottoman Bank into a Government bank. Turkish coastal shipping has been limited to vessels under Turkish registration. Turkish-owned ships were reported on Nov. 1, 1923, to have a tonnage of 83,000 as against 110,000 before the war. Most of the present shipping is in bad repair. The Port of Constantinople is in great need of rehabilitation.

The Near East Relief spent during 1923 \$9,400,000 in overseas work. More than 200,000 persons were fed and given medical care; clothing was furnished to 500,000.

EGYPT

A DISPUTE between Mr. Howard Carter and the Egyptian Government interrupted the work at the tomb of Tut-ankh-Amen from Feb. 13 until March 6, when the Egyptian Department of Antiquities took charge of the work.

Saad Zaghlul Pasha took office at the

beginning of February amid great rejoicings. Clark Kerr, the Acting British High Commissioner, in disregard of precedents, called first upon the Premier. On Feb. 8 he presented a note to the Premier stating that the British Government was ready to agree to amnesty for all prisoners sentenced by military courts with such exceptions as the Prime Minister and the High Commissioner might agree upon. About 140 prisoners were expected to be released under this provision.

When the Egyptian Senate met in February all of the sixty-six elected members were Nationalists and supporters of Zaghlul. Forty-eight additional members were nominated, including nine ex-Ministers, but none who had been Prime Ministers; five Copts, five Moslem learned men, three of Syrian extraction and one of Italian extraction.

The Cabinet Council on Feb. 14 decided definitely not to hand over to the Italian Government the ten Tripolitan Nationalist leaders who last November crossed the western frontier and were arrested. The Italian Government had declared that these men were not political but civil criminals and that they should be handed over under the capitulations. The Government proposes to replace certain European teachers at the Cairo Medical School by Egyptian medical men, a measure which, it is feared, will lower the high standard of the school.

British commercial circles were disturbed on Feb. 11 by the news that an Italian firm had underbid nine British and twenty other firms and had obtained a contract to furnish thirty locomotives for the Egyptian State railways. The lowest British price was £5,045, while the successful bid was £3,840. The Egyptian cotton crop is estimated at 1,380,000 bales, 10,000 bales less than the sales in Alexandria during the last year. Industry at Alexandria has been greatly disturbed of late by strikes.

ARABIA

THE prolonged visit in Transjordania of King Hussein of the Hedjas (proclaimed Caliph by the Moslems of the Arab States on March 7) was, apparently, not productive of important results. Hussein received visits from many Palestinian

and some Syrian groups and from the British and French High Commissioners. His son, Feisal, King of Iraq, did not attend the conference. An unpleasant incident arose at the time of the visit of representatives of the newly organized Arab National and Peasant Parties of Palestine. The Palestinian Arab Executive had spread word that these delegations were pro-Zionist, and upon their emergence from the palace after their interview with King Hussein they were called traitors and attacked and some of them were robbed and beaten. As a result, certain groups of Palestinian Arabs declared that they would rather remain under British rule than be subjected to the rough government of desert Arabs.

The Anglo-Hedjaz treaty is still under discussion. There is pressure to omit all mention of Palestine in the treaty, so as to avoid implying any recognition of the Balfour declaration. Najiassil, Hussein's representative in London, announced that a draft treaty was lost in transmission between London and Arabia. It is affirmed that the French Government stands ready either to accept Emir Zeid, youngest son of King Hussein, as King of the interior of Syria, or to place that region under the Emir Abdullah together with Transjordania. This would pass over the policing of the strip of territory extending from south of Damascus to north of Aleppo to the military rule of the Arabs, who might be expected to protect the land from the Turks at less expense than the present French occupation.

PALESTINE

THE Palestine Government has completed preparations to issue a loan of \$12,500,000 for continuing the development of public works and the establishment of an agricultural bank. This will be added to an existing debt of \$22,500,000, to which still further liabilities may be imposed as Palestine's share of the Turkish pre-war debt.

The Pope has asked Cardinal Bourne, Archbishop of Westminster, to investigate conditions in Palestine. Cardinal O'Connell, Archbishop of Boston, reported that "grave circumstances of injustice, without extenuation, have arisen under the Govern-

ment of Sir Herbert Samuel in Palestine to the prejudice of Catholics." It was stated that the Pope had decided to recall Mgr. Derlassina, Bishop of Jerusalem, and to appoint in his place a native Palestinian.

It is proposed to establish at once a law school as the first college of the Department of Jurisprudence and Social Science of the Hebrew University in Jerusalem. The Agricultural, Microbiological and Chemical Institutes are already in operation. The first building of the College of Medicine will be ready for occupation in June. A hospital will be erected beginning this Summer. The Agricultural Institute has established experiment stations in many parts of Palestine.

PERSIA

THE oil scandals which have troubled the United States have made an appearance in Persia. The Paris Temps of Feb. 10 quoted from the Teheran journal Naserelmelleh of Jan. 15 an accusation that the Prime Minister had been offered 3,000,000 krans (about \$270,000) at the time of signing the concessions to the Sinclair corporation, and that he had "applied" that sum as a subsidy to the Ministry of Public Instruction. The report was credited by certain oil people in New York, but was denied emphatically by the Persian Minister at Washington.

British interests in Persia are alarmed at the commercial propaganda of the Bolsheviks in Persia. This alleged campaign is said to be pushed energetically by the Russian representative, Shumiatsky. Mass meetings have been addressed by Persians in Russian pay and hostile to Britain. It is reported that Russian troops have been stationed at Enzeli, that Russian Consuls have been appointed to places in the south of Persia, and that the Soviet Government has allowed customs drawbacks on Russian goods exported to Persia. A Russo-Persian bank has been organized in Teheran with the object of financing Russo-Persian trade.

The American advisers have been meeting with considerable success in the collection of arrears of taxes. New passports and immigration laws have been formulated to control closely the arrival and residence of foreigners.

THE FAR EAST

By PAYSON J. TREAT
Professor of History, Stanford University

The Peking Government still in financial difficulties—Government employes' salaries many months in arrears—Deterioration of the State railways—United States extra-territorial rights in Dairen reaffirmed—Earthquake loan successful

THE Chinese new year, which began on Feb. 5, marked the beginning of a new cycle of sixty years, the Cycle of the Rat. According to general belief the first year of a cycle is one of abounding prosperity, bounteous crops, cheap rice and peace. After the widespread unhappiness of the closing years of the last cycle the Chinese people looked forward hopefully to better days.

In Peking the Finance Minister, Wang Ko-ming, had trouble to find funds to meet the new year settlements. Formerly the Government prided itself on being able to make settlements in full on three festivals, the Dragon Boat festival (fifth day of the fifth month), the Autumn festival (eleventh day of the eighth month) and the lunar New Year. But for the past five years only partial settlements have been made. This year about \$3,000,000 (silver) was available, so local officials in Peking were granted a month's pay, or perhaps only a part of it, while the unpaid wages of from two to forty months were carried forward.

Little change was reported in the internal strife. Chengtu, capital of Szechuan Province, was captured by Northern troops on Jan. 27. A lull in the fighting in Kwangtung seemed only a prelude to renewed activity in the Spring. On Feb. 9 a British cruiser sailed from Hongkong for Amoy, where General Chang Chi-ping held the city for Sun Yat-sen. A tense situation had arisen between Chinese and Japanese as a result of the shooting of seven For-

mosans by Cheng's troops. In Canton the city revenues have been drained to support Dr. Sun's soldiers, estimated at some 180,000 men. The opium and gambling monopolies have been restored, ostensibly to control these vices, but evidently with a view to the revenue to be obtained.

One of the disastrous results of the military despotism which reigns in China has been the deterioration of the Government railways under military control. Not only have they suffered during actual fighting, when tracks were torn up, bridges destroyed and rolling stock ruined, and in time of peace when their facilities have been diverted to transporting troops and supplies, but their revenues have been ruthlessly appropriated by the military commanders so that the up-keep of rolling stock and equipment has been sadly neglected. Just a year ago the Japanese turned over to China the former German line between Tsingtao and Tsinan, Shantung Province. Up to that time it had been operated efficiently, and there is reason to believe that if the Chinese staff could be freed from military interference it would soon gain the experience necessary to operate this important line. It is now reported that, in spite of Japanese protests, some of the receipts of this railway have been diverted to the support of six Northern warships anchored at Tsingtao. The Chinese owe Japan 40,000,000 yen for the rail-



PAYSON J. TREAT

way, and so far have been able to make only the interest payments. If the road's receipts, above interest charges, are to be diverted to Wu Pei-fu's war chest, then it will meet the fate of the other lines under the army's control.

In January it was reported that the British firm of Hollamby & Co. had secured preliminary contracts for three railway loans totaling £19,000,000. The proposed lines are the Chefoo-Weihsien (Shantung), 150 miles, £4,000,000; the Tsangchow-Shihchiachwang (Chihli), 220 miles, £5,000,000; and the Tientsin-Chifeng (Mongolia), about 1,500 miles, £10,000,000. The latter is a private venture supported by Chinese merchants.

An interesting decision was handed down by Mr. N. E. Lurton in the United States Commissioner's Court at Shanghai on Jan. 26. An American had been arrested in Dairen, Japanese leased territory in Manchuria, and charged with assault. His counsel moved that the American court had no jurisdiction, as the crime was committed within the jurisdiction of Japan. The Commissioner ruled otherwise, and held that the United States had never relinquished its extra-territorial rights in the territory in question.

JAPAN

THE general election, necessitated by the recent dissolution of the House of Representatives, will be held on May 10. A spirited political campaign has already begun, in which four parties are striving for victory. The fate of the Kiyoura Cabinet depends upon the success of the faction which bolted the Seiyukai Party. As no important bills had been enacted prior to the dissolution of the Diet on Jan. 31, the new Cabinet has been engaged in drawing up a working budget for the fiscal year 1924-25 and in providing relief for holders of policies in the smaller insurance companies which have been unable to pay even the small "sympathy" grants for losses in the September earthquake. On Feb. 25 the Cabinet decided to lend 80,000,000 yen to twenty-six Tokio insurance companies at 4 per cent., redeemable in fifty years. This occasioned a sharp dispute between the Cabinet and the Privy Council. The Cabinet had proposed to make use of an

imperial emergency ordinance, as the Diet was not in session, but the Privy Council insisted that the loans be made as a Ministerial measure which would be referred to the next Diet as a supplementary budget. The Privy Council carried its point.

As reported in the March issue, the dissolution of the House occurred during a stormy debate over the responsibility of the Government for a railway accident in which the lives of certain Opposition leaders were endangered. It was subsequently stated that the attempt to wreck the train was the work of a farmer named Daruse, who had been jilted by his sweetheart and, in rage, piled up logs and rocks on the railway track to give vent to his wrath.

The first direct loan to be offered by the Japanese Government in the American market since the Russo-Japanese War was negotiated in New York on Feb. 11. The amount of the issue was \$150,000,000, maturing in thirty years, bearing 6 1-3 per cent. interest, priced at 99½, to yield about 7.1 per cent. A smaller sum, £25,000,000, was allotted to the English market, bearing 6 per cent. interest, priced at 87½, maturing in thirty-five years and yielding about 6.96 per cent. The proceeds of the two loans will be used to retire the balance of about \$170,000,000 of sterling 4½ per cent. bonds, due in February and July, 1925. The balance, with cash on hand and an internal loan of about \$400,000,000, will be used to help finance the reconstruction program, which calls for an expenditure of about \$700,000,000. About \$15,000,000 of the American issue was offered in Switzerland, Holland and Scandinavia. On Feb. 13 the English share was doubly oversubscribed, and the next day American subscriptions were received totaling almost \$250,000,000 for the issue of \$150,000,000. Bonds were allotted to the smaller investors rather than to the large corporations. Some of the Japanese newspapers commented adversely on the terms of the loan, but Finance Minister Shoda replied that, in reality, the American and British bankers who floated the issue had placed Japan under an enormous debt of gratitude.

The proposed American immigration law continued to create discussion in Japan during the past month. On Feb. 7 Foreign Minister Matsui in a press statement ap-

pealed to the United States to heed Japan's cherished desire "to be treated on the same footing with other independent nations." He continued: "The question of emigration from Japan to the United States has been definitely decided. For many years, knowing that our people were not wanted as immigrants, no passports were issued except to immediate relatives of Japanese who long had been residents of the United States, believing this to be mere human consideration for the family rights of the men. If this is deemed unsatisfactory, we are ready to discuss the matter anew, of restrictions or exclusion, which should be arranged by mutual consideration and consent in agreement, as is customary, instead of through needlessly arbitrary *ex parte* action." On Feb. 13 the Department of State made public a letter from Secretary of State Hughes to Chairman Johnson of the House Immigration Committee in which Mr. Hughes stated that the proposals which "single out Japanese immigrants for exclusion" are "inconsistent" with the treaty of 1911 and should be eliminated. "I believe," he added, "such legislative action would largely undo the work of the Washington Conference for Limitation of Armament, which

so greatly improved our relations with Japan." He suggested that Japan be placed on the same quota basis as other nations, which would mean less than 250 a year. The Japanese press promptly paid tribute to the "sagacity and fairness" of Mr. Hughes, and to the American people's "love of justice and fair play."

For some years an influential element in Japan has favored the resumption of relations with Russia. But an even larger element has feared the spread of radical ideas which have already gained a small following in the country. Unsuccessful conferences have already been held at Dairen and Changchun (Manchuria) and Tokio, between Russian and Japanese representatives. And on Feb. 24 the Foreign Office announced that it had sent a message to the Japanese Minister at Peking for presentation to M. Karahan, the Soviet envoy to China, stating that Japan was ready to assume negotiations on the basis of the preliminary Tokio conversations, provided the Soviet Government would recognize the Japanese Consul at Vladivostok and resume mail service. As Russia has, in the past, demanded recognition before negotiation, it is doubtful if much will be gained by the present advance.

PRESIDENT COOLIDGE'S STATEMENT ON FILIPINO INDEPENDENCE

FILIPINO hopes that the United States Congress would soon take steps to grant the Philippine Islands complete self-rule received a serious setback on March 5, with the publication at the White House of a letter sent by President Coolidge to Manuel Roxas, Speaker of the Philippine House of Representatives and Chairman of the Philippine Independence Mission at Washington. Though this letter was dated Feb. 21, Señor Roxas declared that he received it only on the day when it was made public. In this letter, the text of which is published below, the President declared definitely that the Filipinos were not yet ready for independence. He further called the alleged grievances of the Filipinos unjustified and emphatically supported the administration of General Wood, Governor General of the Philippines, as against the bill of complaints filed against him by the Filipino leaders. The President's stand in this important statement was a bombshell to the hopes of the Filipino mis-

sion that the United States Congress would take measures in the near future to grant the Filipino people independence.

The letter was a specific reply to a previous communication received by the President from Señor Roxas, enclosing the resolutions adopted by the Senate and House of Representatives of the Philippines regarding the relations between the Filipino people and the United States Government. Señor Roxas declared that the long delay in transmission and publication of the President's reply was deliberate and timed to prevent imminent action by Congress to introduce proposals favorable to Filipino aspirations. On March 3 the Committee on Insular Affairs of the House of Representatives had paved the way for Congressional consideration of the Philippine question by agreeing to prepare a measure providing for the islands' independence. The vote favoring this was 11 to 5; some of those who voted in the affirmative, however, were said to be opposed to inde-

pendence and to have voted favorably only in order to bring the Philippine issue before the House for discussion. The publication of the President's letter put a quietus upon this projected consideration by Congress of the Filipino claims to independence, though Señor Roxas declared that these claims would not be abandoned and that the activities of the Filipino mission to obtain Congressional action would continue. The text of the President's letter was as follows:

The White House,
Washington, Feb. 21, 1924.

My Dear Mr. Roxas:

The resolutions adopted by the Senate and House of Representatives of the Philippines, touching upon the relations between the Filipino people and the Government of the United States, have been received. I have noted carefully all that you have said regarding the history of these relations. I have sought to inform myself, so thoroughly as might be, as to the occasions of current irritation between the Legislature of the Philippines and the executive authority of the islands.

In your presentment you have set forth more or less definitely a series of grievances, the gravamen of which is that the present executive authority of the islands, designated by the United States Government, is in your opinion out of sympathy with the reasonable national aspirations of the Filipino people.

If I do not misinterpret your protest, you are disposed to doubt whether your people may reasonably expect, if the present executive policy shall continue, that the Government of the United States will in reasonable time justify the hopes which your people entertain of ultimate independence.

The declaration of the Commission of Independence charges the Governor General with illegal, arbitrary and undemocratic policies, in consequence of which the leaders of Filipino participation in the Government have resigned and their resignations have been accepted by the Governor General.

The Commission of Independence declares that it is necessary "to take all needful steps, and to make use of all lawful means within our power to obtain the complete vindication of the liberties of the country now violated and invaded." It proceeds: "And we declare, finally, that this event, grave and serious as it is, once more demonstrates that the immediate and absolute independence of the Philippines, which the whole country demands, is the only complete and satisfactory settlement of the Philippine problem."

It is occasion for satisfaction to all concerned that this declaration is couched in terms of moderation, and that it goes no further than to invoke "all lawful means within our power." So long as such discussions as this shall be confined to the consideration of lawful means, there will be reason to anticipate mutually beneficial conclusions. It is, therefore, a matter of congratulation which I herewith extend, that you have chosen to carry on this discussion within the bounds of lawful claims and means. That you have thus declared the purpose to restrict your modes of appeal and methods of enforcing is gratifying evidence of the progress which the Filipino people, under American auspices, have made toward a demonstrated capacity for self-government.

The extent to which the grievances which you suggest are shared by the Filipino people has been a subject of some disagreement. The American Government has information which justifies it in the confidence that a very large proportion at any rate, and possibly a majority, of the substantial citizenry of the island does not support the claim that there are grounds for serious grievance. A considerable section of the Filipino people is, further, of the opinion that at this time any change which would weaken the tie between the Filipinos and the American nation would be a misfortune to the islands.

The world is in a state of high tension and unsettlement. The possibility of either economic or political disorders calculated to bring misfortune, if not disaster, to the Filipino people unless they are strongly supported, is not to be ignored.

It should not be overlooked that within the past two years, as a result of international arrangements negotiated by the Washington Conference on Limitation of Armament and problems of the Far East, the position of the Filipino people has been greatly improved and assured. For the stabilizing advantages which accrue to them in virtue of the assurance of peace in the Pacific, they are directly indebted to the initiative and efforts of the American Government. They can ill afford in a time of so much uncertainty in the world to underrate the value of these contributions to their security.

By reason of their assurance against attack by any power; by reason also of that financial and economic strength which inevitably accrues to them; by reason of the expanded and still expanding opportunities for industrial and economic development—because of all these considerations the Filipino people would do well to consider most carefully the value of their initiative association with the American nation.

TIME FOR INDEPENDENCE NOT RIPE

Although they have made wonderful advance in the last quarter century, the Filipino people are by no means equipped, either in wealth or experience, to undertake the heavy burden which would be imposed upon them with political independence. Their position in the world is such that without American protection there would be the unrestricted temptation to maintain an extensive and costly diplomatic service and an ineffective but costly military and naval service.

It is to be doubted whether, with the utmost exertion, the most complete solidarity among themselves, the most unqualified and devoted patriotism, it would be possible for the people of the islands to maintain an independent place in the world for an indefinite future. In presenting these considerations, it is perhaps worth while to draw your attention to the conditions in which some other peoples find themselves by reason of lacking such guarantees and assurances as the Filipino people enjoy. The burdens of armament and of governmental expenses which many small nations are compelled to bear in these times are so great that we see everywhere the evidence of national prosperity and community progress hindered, if not destroyed, because of them.

During the World War the Filipino people were comparatively undisturbed in their ordinary pursuits, left free to continue their fine progress. But it may well be doubted whether, if they had been shorn of the protection afforded by the United States, they could have enjoyed so fortunate an experience. Much more probably they would have become involved in the great conflict and their independence and nationality would have become, as did those of many other peoples, pawns in the great world reorganization. There could be no more unfortunate posture in which to place a people such as your own. You have set your feet firmly in the path of advancement and improvement. But you need, above all else, assured opportunity of continuing in that course without interference from the outside or turmoil within. Working out the highest destiny of even the most talented and advanced of peoples is a matter of many generations.

A fair appraisal of all these considerations and others which suggest themselves which do not require enumeration will, I am sure, justify the frank statement that the Government of the United States would not feel that it had performed its full duty by the Filipino people, or discharged all of its obligations to civilization, if it should yield at this time to your aspiration for national independence.

The present relationship between the American nation and the Filipino people arose out of a strange and almost unparalleled turn of international affairs. A great responsibility came unsought to the American people. It was not imposed upon them because they had yielded to

any designs of imperialism or of colonial expansion. The fortunes of war brought American power to your islands playing the part of an unexpected and a welcome delivery. You may be very sure that the American people have never entertained purposes of exploiting the Filipino people or their country.

There have, indeed, been different opinions among our own people as to the precisely proper relationship with the Filipinos. There were some among us, as there are some among your people, who believe that immediate independence of the Filipinos would be best for both. I should be less than candid with you, however, if I did not say that in my judgment the strongest argument that has been used in the United States in support of immediate independence of the Philippines is not the argument that it would benefit the Filipinos, but that it would be of advantage to the United States. Feeling as I do, and as I am convinced the great majority of Americans do, regarding our obligations to the Filipino people, I have to say that I regard such arguments as unworthy. The American people will not evade or repudiate the responsibility they have assumed in this matter. The American Government is convinced that it has the overwhelming support of the American Nation in its conviction that present independence would be a misfortune and might easily become a disaster to the Filipino people. Upon that conviction, the policy of the Government is based.

CONFIDENCE IN GENERAL WOOD

Thus far I have suggested only some of the reasons related to international concerns, which seem to me to urge strongly against independence at this time. I wish now to review for a moment some domestic concerns of the Philippine Islands which seem also to argue against present independence. The American Government has been most liberal in opening to the Filipino people the opportunities of the largest practicable participation in, and control of, their own Administration. It has been a matter of pride and satisfaction to us, as I am sure it must also have been to your people, that this attitude has met with so fine a response. In education, in cultural advancement, in political conceptions and institutional development, the Filipino people have demonstrated a capacity which cannot but justify high hopes for their future. But it would be idle and insincere to suggest that they have yet proved their possession of the completely developed political capacity which is necessary to a minor nation assuming the full responsibility of maintaining itself in the family of nations. I am frankly convinced that the very mission upon which you have addressed me is itself an evidence that something is yet lacking in development of political consciousness and capability.

One who examines the grounds on which are based the protests against the present situation is forced to conclude that there has not been, thus far, a full realization of the fundamental ideals of Democratic-Republican Government. There have been evidences of a certain inability, or unwillingness, to recognize that this type of governmental organization rests upon the theory of complete separation of the legislative, executive, and judicial functions. There have been many evidences of disposition to extend the functions of the Legislature, and thereby to curtail the proper authority of the executive.

It has been charged that the present Governor General has in some matters exceeded his proper authority, but an examination of the facts seems rather to support the charge that the legislative branch of the Insular Government has been the real offender, through seeking to extend its own authority into some areas of what should properly be the executive realm.

The Government of the United States has full confidence in the ability, good intentions, fairness and sincerity of the present Governor General. It is convinced that he has intended to act, and has acted, within the scope of his proper and constitutional authority. Thus convinced, it is determined to sustain him, and its purpose will be to encourage the broadest and most intelligent

cooperation of the Filipino people in this policy. Looking at the whole situation fairly and impartially, one cannot but feel that if the Filipino people cannot cooperate in the support and encouragement of as good administration as has been afforded under Governor General Wood, their failure will be rather a testimony of unpreparedness for the full obligations of citizenship than as evidence of patriotic eagerness to advance their country.

I am convinced that Governor General Wood has at no time been other than a hard-working, painstaking and conscientious administrator. I have found no evidence that he has exceeded his proper authority or that he has acted with any other than the purpose of best serving the real interest of the Filipino people. Thus believing, I feel that I am serving those same interests by saying frankly that it is not possible to consider the extension of a larger measure of autonomy to the Filipino people until they shall have demonstrated a readiness and capacity to cooperate fully and effectively with the American Government and authorities.

For such cooperation I earnestly appeal to every friend of the islands and their people. I feel all confidence that in the measure in which it shall be extended, the American Government will be disposed to grant in increasing degree the aspirations of your people. Nothing could more regrettably affect the relations of the two peoples than that the Filipinos should commit themselves to a program calculated to inspire the fear that possibly the governmental concessions already made have been in any measure premature.

In conclusion, let me say that I have given careful and somewhat extended consideration to the representations you have laid before me. I have sought counsel of a large number of men whom I believed able to give the best advice. Particularly I have had in mind always that the American nation could not entertain the purpose of holding any other people in a position of vassalage.

In accepting the obligations which came to them with the sovereignty of the Philippine Islands, the American people had only the wish to serve, advance and improve the condition of the Filipino people. That thought has been uppermost in every American determination concerning the islands. You may be sure that it will continue the dominating factor in the American consideration of the many problems which must inevitably grow out of such relationship as exists.

In any survey of the history of the islands in the last quarter-century, I think the conclusion inescapable that the Filipino people, not the people of the United States, have been the gainers. It is not possible to believe that the American people would wish otherwise to continue their responsibility in regard to the sovereignty and administration of the islands. It is not conceivable that they would desire, merely because they possessed the power, to continue exercising any measure of authority over a people who would better govern themselves on a basis of complete independence.

If the time comes when it is apparent that independence would be better for the people of the Philippines, from the point of view of both their domestic concerns and their status in the world, and if when that time comes the Filipino people desire complete independence, it is not possible to doubt that the American Government and people will gladly accord it. Frankly, it is not felt that that time has come. It is felt that in the present state of world relationship the American Government owes an obligation to continue extending a protecting arm to the people of these islands. It is felt, also, that, quite aside from this consideration, there remain to be achieved by the Filipino people many greater advances on the road of education, culture, economic and political capacity, before they should undertake the full responsibility for their administration. The American Government will assuredly cooperate in every way to encourage and inspire the full measure of progress which still seems a necessary preliminary to independence.

Yours very truly,

CALVIN COOLIDGE.

ARMIES AND NAVIES OF THE WORLD

By GRASER SCHORNSTHEIMER

Starving the American Navy—Great Britain's army about 600,000 strong—The Spanish campaign in Morocco

THE UNITED STATES

THE manoeuvres of the combined battle and scouting fleet closed with tactical exercises and target practice. The fleet then demobilized and was scattered along the Atlantic seaboard for recreation purposes. The Battle Fleet, which bases in the Pacific, put in to New York. Other types of vessels were distributed from Boston to the West Indies.

As the Mexican situation cools, the revolution in Honduras has become more serious. The Special Service Squadron, commanded by Rear Admiral J. H. Dayton, has this situation in hand. His forces have been reinforced by several ships from the fleet so that all points may be properly covered.

As a result of the lack of Congressional appropriations for the normal repairs to ships since the war, the whole of the battleship force of the Atlantic Fleet was forced to discontinue manoeuvres on account of inefficient boilers. The vessels so tied up are the Wyoming, flagship of Vice Admiral N. A. McCully; the Arkansas, Utah and Florida. Not only is the mechanical equipment of these ships at a very low state of efficiency, but all are lacking in proper elevation to their great guns. Again, the protection, both below and above the water, is highly inadequate and the vessels are in need of thorough modernization.

Since Congress delayed action on the navy's polar expedition all hopes of sending the Shenandoah to Alaska have been given up. The work of converting the tanker Patoka into a depot ship for the Zeppelin will be continued and the ship will act as a fleet base for the airship.

The Army Appropriation bill, reported in the House on March 12, provides for an expenditure of \$326,225,000, a saving of \$16,225,000 on last year's appropriation. The outstanding feature of the bill is that it leaves the army at the same strength as

did last year's bill, which provided for 125,000 men and 12,000 officers. It was most urgently desired that this year the army be increased to at least 150,000 men. A sum of \$37,600,000 goes for river and harbor improvements, which are not in the least military, but which have been charged against the army since time immemorial and have materially contributed to "the cost of preparedness." The Air Service fared well under the appropriation. Not less than \$2,646,000 will be expended on new airplanes and equipment. The National Guard appropriations call for an expenditure of \$29,500,000, which would provide for a total strength of 190,000 men in this service. An appropriation of \$2,850,000 is recommended for the organized reserves to train 12,000 reserve officers at fifteen camps. An expenditure of \$2,100,000 is recommended for the citizens' military training camps, which would permit the training of 28,000 men at six camps.

THE BRITISH EMPIRE

Despite the talk of naval reductions under the Labor Government, the British Naval Estimates call for a very definite increase in men and munitions. The total appropriation calls for an expenditure of £55,800,000. The personnel will be increased by 1,400 officers and men, making a grand total of 100,500 men, exclusive of marines, of aviation, of coast guard, of the communication service and so forth, as against the 86,000 men provided for the United States Navy, the American figure being inclusive of the items excluded from the British total. There are thus approximately 128,000 men in the British Navy under this new bill as compared with the 86,000 in the American service. Seven important ships will be built under the new estimates. Five of them will be fast cruisers of 10,000 tons displacement and two

others will be destroyers. Other subsidiary vessels will also be built.

The Royal Air Force is to receive rather large increases from the Labor Government, despite the supposed pacifist tendencies of the party. The proposal of the Premier to reduce the British Army may, however, be carried out. Recent despatches would indicate that the British Army is far larger than is generally supposed. Figures recently published in London show that a large force is still under arms. The Territorial Army, which cannot be sent out of Great Britain without an act of Parliament, consists of fourteen infantry divisions and two infantry brigades, army troops and coast defense troops totaling 138,000 with an authorized strength of 180,000. The regular army consists of two cavalry brigades, and five infantry divisions which are called "Expeditionary Forces." These are all in the United Kingdom. The total strength of the regular army, including colonial and Indian troops and the air force, is about 168,000. This does not include, however, 77,000 British troops in the Indian army and about 8,700 in the Colonial forces. The forces in India consist of about 77,000 British and 310,000 Indian troops; the Egyptian Army of about 17,000 men; the Canadian Army of about 3,350 permanent men and a militia of 7,000; the South African Army of about 2,000 permanent men with a militia of 7,000; the Australian Army of about 3,200 permanent men and 30,000 militia. New Zealand has an army of 500 active troops and a militia of 15,000. In North Ireland there are 20,000 local troops and in South Ireland there are about 50,000.

A short time ago there were 96,000 British troops in Great Britain; 5,000 in North Ireland and 500 in South Ireland. 8,700 men on the Rhine; 900 at Gibraltar; 600 in Bermuda; 600 in Jamaica, together with a thousand colonial troops. At Malta there were 1,000 British and 250 colonial troops; on the Isle of Cyprus, 115 men; at Constantinople 19,500; in Egypt 9,300; in Palestine, 900 men of the Indian Air Force; in Iraq 3,300 men of the British Air Force and 7,700 of the Indian Air Force. In In-

dia and Aden there were 77,000 British and 310,000 Indian troops. In Ceylon there were 280 men and on the Island of Mauritius, 200. In West Africa there were 500 Colonials and 50 British; in North China 50 British and 800 Indian troops; in South China, 1,600 British with 500 Colonial and 850 Indian. At the Singapore base there were 1,500 British and 100 Colonial. This gives a total force of approximately 600,000 men under arms.

BRAZIL

The Brazilian Congress has authorized the construction of a training ship to replace the old Benjamin Constant, a mine transport and a surveying ship. It is possible that these vessels will be built in Brazilian yards. At the same time the Minister of Marine has put forward a program of fighting ships which will, if carried out, give Brazil the naval leadership of the South American nations. This program provides for a single battleship of 35,000 tons, 23 knots and 16-inch guns, one cruiser of 10,000 tons, 35 knots and 8-inch guns, five destroyers of from 1,000 to 1,200 tons, five submarines of from 800 to 1,000 tons, an aircraft carrier, ten mine layers, ten mine sweepers, one mine transport and one surveying ship. It is believed that the last two ships are those mentioned as having already been provided for by Congress.

SPAIN

General Weyler, who is now 90 years old, has been ordered to take charge of the Spanish Army in the Riff region of Morocco. General Weyler has been characterized in the past by his ruthless methods of dealing with his opponents, particularly in Cuba shortly before the Spanish-American War. This would seem to indicate the intention of the Government to retrieve the losses in this sphere at any cost.

Spanish gunboats are keeping a close watch on the Moroccan coast for the landing of arms to supply the forces of Abdul Krim. Recently an English yacht was captured with a large supply of German Mauser rifles and other munitions aboard.

THE UNKNOWN UNIVERSE

By WATSON DAVIS
Managing Editor, Science Service

The existence of a new universe, six quintillion miles distant from earth, definitely established—Our universe less than a speck by comparison—Scientists now determining internal structure of earth by study of stars—Composition of earth ascertained by this means

FAR out in space, practically beyond the reach of the unaided imagination, there is what appears in astronomical telescopes as a small patch of faint light. One million years ago that light, which the astronomer now sees or records on his photographic plate, was beginning a journey at the speed of 186,000 miles a second, bound for the earth. It was leaving what is now known to be a new universe, separate and distant from our own, and further out in space.

This new universe, invisible to the naked eye, is the most distant object that man has ever seen and recognized. The late Dr. E. E. Barnard of Yerkes Observatory discovered it more than forty years ago with only a six-inch telescope. But he did not discover what it was, and now astronomers using the highest-powered telescopes and the latest mathematical methods have just determined the claim to fame possessed by the celestial object, known to them only by its catalog number, N. G. C. 6822.

Our earth is but a microscopic bit of matter in the great sea of space. It is a minor planet of a sun that is quite ordinary and insignificant in size. The solar system would be quite undetectable even from the distance of the nearest star, Alpha Centauri.

It takes light, the speediest traveler in the universe, only 8 minutes to go from the earth to the sun. Eight hours is the time required for light to cross the whole of our solar system. Compare this with the time that it takes light to cross the whole of our universe, 350,000 years. Then imagine the immense distance that lies between us and the new universe.

The Milky Way that stretches across the sky is a part of our own universe of stars, of our "galactic system." Beyond this great universe of which we are a part, astronomers now realize that there are other "island universes." Some of these may be as large as the universe of which we are a part, but most of them are much smaller. N. G. C. 6822 is the most distant of such outside stellar systems, although astronomers now know that the Magellanic clouds of the Southern Hemisphere, which N. G. C. 6822 strongly resembles, are similar universes lying closer, however, to our own galaxy.

Photographs taken by Dr. Edwin Hubble at the Mount Wilson Observatory and others taken at the Cordoba Observatory in the Argentine, made possible the identification of the most distant clouds of stars as a universe like our own. Prof. Harlow Shapley of the Harvard Observatory determined the immense distance of N. G. C. 6822 from this earth by several methods. The assumption that the angular diameter is a direct measure of parallax, a comparison of linear diameter of diffuse nebulae in N. G. C. 6822, and in the large Magellanic Cloud, and a computation for distance based on the observed brightness of supergiant stars compared with the absolute photographic magnitudes which they are known to have, all justify the estimate of the distance from our earth of N. G. C. 6822 as of the order of a million light years. And light travels six quintillion miles in a million years!

The small patch of light which represents N. G. C. 6822 in telescopes of moderate power is located in the constellation

of Sagittarius, the one next to the east of Scorpio, which contains the great red star, Antares. Although it is only through the most powerful of telescopes, such as the 100-inch telescope at Mount Wilson, that astronomers can distinguish separate stars in the new universe, it doubtless contains many hundreds of thousands of stars, many of them giants far larger and more brilliant than our own sun. And it is pos-

sible that inhabited planets like our own encircle some of these brilliant suns.

But even the meagre information about the new universe that astronomers have obtained can hardly be called the last obtainable, although it is the latest that can be had. The light they see left N. G. C. 6822 a million years ago at a time when the human race did not exist and dinosaurs roamed the earth.

INSIDE THE EARTH

TWO miles under ground is more remote to human eyes than millions of miles overhead. The interior of the earth is practically inaccessible, despite scientific efforts to penetrate its secrets. True, the earth has been dug into by imaginative writers, but their results are hardly more encouraging than those of the little boy who started to dig to China.

The distance from the surface to the centre of the earth is about 4,000 miles and scarcely more than a mile of this distance has been penetrated by drill holes and mining shafts. Even though a few more miles could be explored, it is doubtful whether the information would do science much service; it might be misleading instead. It is known that the temperature within the earth increases at a fairly regular rate as the interior is penetrated. At the depth of a mile it is too hot for man to work in most regions and in some places the temperature at a much smaller depth increases to a heat unbearable to human beings. Added to the increasing heat is the increasing pressure that the overlying rocks create. It is believed, therefore, that no amount of boring skill will enable man to visit the earth's interior.

Paradoxical as it may seem, the stars and the laboratory are being resorted to in order to study the inside of the earth. Astronomers have determined that the density of the whole earth as a body and a member of our solar system is about five and one-half times that of water. Geologists studying the earth's surface find only rocks of a density varying from two and one-half to three and a quarter times that of water. The skin of the earth, the only portion of it with which we are really well acquainted, is therefore much lighter than

the average of the whole earth. Within the unknown interior must be different and much heavier material. From a study of the tides and of the configuration of the earth, scientists have determined that the material of the earth must be as rigid as steel. The fact that meteorites which are believed to be fragments of planet-like bodies are composed largely of iron makes the assumption that the interior of the earth is iron a logical one. Moreover, the density of iron, about eight times that of water, makes this assumption agree with the density demanded by the astronomers.

Geophysicists at the Geophysical Laboratory of the Carnegie Institute of Washington have just announced their conclusion that the earth is made up of four and possibly five layers of material. At the inmost core of the earth there may be immense quantities of gold, platinum and other metals heavier than iron. Around this it is practically certain that there is an irregular sphere of iron about 4,200 miles in diameter. From the outer edge of this iron core to the surface is about 1,800 miles, a distance that is divided into three layers whose boundaries are not sharply defined. Next to the central iron sphere is a mixed layer of iron and rock which extends to within about 900 miles of the surface. Between this and the crust, which is about thirty-five miles thick, there is a layer resembling that found on the surface of the earth, but containing more magnesia and less silicate. The way in which earthquake shocks are transmitted to the earth has also contributed to this conception of the earth's interior.

An even more accurate knowledge of the composition of the crust of the earth has been obtained through high pressure ex-

periments at the Geophysical Laboratory. Pressure plays an extremely important part in the geological processes that determine the composition of the rocks within and upon the surface of the earth. Heretofore the measurement of the volume changes of a mineral or rock under pressure has been difficult because the changes are so small. A pressure of one atmosphere decreases the volume of an ordinary rock by only one or two millionths of the original volume and until scientists of the Geophysical Laboratory were able to measure volume changes under hydrostatic pressure the compressibility of rocks was determined only by an indirect method. Now high pressures, equivalent to a depth of 25 miles within the earth have been obtained.

Knowing compressibility, the rigidity of the rocks can be determined. A very basic rock, peridotite, is two-thirds as rigid as steel, and other rocks approach it in rigidity, accounting for the great rigidity of the crust of the earth which they compose. From such investigations the scientists, working under the direction of Dr. Arthur L. Day, have determined that the granites with which we are familiar form only a mere film a few miles deep upon the surface of the earth. The rest of the crust is made up of more basic and more rigid rock.

In this manner a part of the universe which man cannot hope to investigate by direct observation is being explored.

WORLD FINANCE

A Month's Survey

By FRANCIS H. SISSON

Mr. Sisson is a high executive in one of the chief financial institutions of America, and is a recognized authority on international finance

The outstanding financial events of the month—Conditions in the United States—Aiding the Northwestern banks—The immigration problem—The financial situation abroad

THE most important economic event of the last month was the unprecedented decline of the French franc, and the resultant placing at the disposal of the Bank of France on March 12 of an unlimited credit of "not less than \$100,000,000" by a group of American banks headed by J. P. Morgan & Co., which occasioned a substantial rise in the exchange value of the franc.

The quotation on Feb. 1 was 4.72 cents a franc. By Feb. 13 the rate had fallen to 4.56 on Feb. 20 it reached 4.19 cents. On March 6 the rate was 4.05, on the 7th it had declined to 3.85. The extreme low rate of 3.43 was reached on March 8. Then came rumors, which were neither denied nor confirmed, that a loan to the French Government was being arranged by bank-

ers in this country, and a sharp recovery in the value of the franc occurred. Just prior to the announcement of the formal establishment of the credit at 5:45 P. M. on March 12, the franc had advanced to 4.20, and by the following morning had reached 4.44. On March 17 the franc was quoted at 4.96 in New York.

In the announcement made public by J. P. Morgan & Co. was the following significant paragraph:

In connection with this credit the Governor of the Bank of France makes to us the following statement: "After having conferred with the Government, I am in a position to assure you that complete measures are to be taken to ameliorate the financial situation. The Government will insist that the Senate (the Chambre des Députés having already

voted favorably) take a rapid decision on the vote relative to the increase of taxes, realizing the equilibrium of the totality of the budget, and ratify a policy for suppressing all new expenditure which would not have its counterpart in corresponding receipts."

The second most notable financial development during the month was the floating of the international loan of the Imperial Japanese Government, the American portion of which consisted of \$150,000,000, of thirty-year sinking fund 6½ per cent. gold bonds at 92½, to yield 7.10 per cent., largely to refund maturing bonds. The principal and interest are payable in gold in New York free of Japanese taxes and a fund is provided for the purchase of the bonds in the open market when below par. A large oversubscription testified to the credit standing of Japan and the capacity of the American market.

Current developments in industry and trade in the United States are decidedly encouraging. A comprehensive survey of world conditions reveals definite improvement in most countries during the last several months. Briefly summarized, the outstanding factors in the business situation in this country are these:

Production in several basic industries has increased, and this has been accompanied by a growing volume of railway traffic and a stiffening of wholesale commodity prices. Reports show more than normal seasonal activity in various manufacturing lines. Activity in the construction industry is greater than in any previous Winter, reflecting the generally favorable weather conditions and the increased effort to provide a more even distribution of building operations throughout the year, as well as the continuing pressure of demand for structures.

Bank reports show a normal expansion of credit demand, following the usual post-holiday recessions, but this has brought no strain in the market for money and credit. The indications are that interest rates will remain easy for some time, and that industrial activity in coming months will proceed generally at close to normal levels.

The political atmosphere incident to a Presidential election year exerts an unsettling influence on business, but despite this unfavorable factor there has been a

fair degree of economic stability this year and the outlook is for a continuance of stable conditions. The scandal incident to the oil investigation also has had disturbing psychological reactions, which have affected oil securities. It should be borne in mind, however, that the fundamental conditions in the oil industry, due largely to decreased production and increased consumption, are such as to promise a successful year for the business.

STABLE INTEREST RATES

The marked stability of interest rates which characterized the period of rapid rise in business activity last Spring, as well as the later months of reduced industrial production, still prevails. Steadiness of money rates, in its long-term consequences, no less than stability of commodity prices, is helpful to business by reason of its restraint upon the influences making for wide fluctuations in activity. Seasonal variations in rates are a part of the normal order and their recurrence is not a disturbing factor in business. When only such expected fluctuations occur, money rates may be regarded as stable.

Increasing recognition by the public of the stabilizing influences exercised by the Federal Reserve banks strengthens confidence in the general soundness of the present system of bank credit. The avowed policy of the Reserve banks is to govern their operations in the open market in definite conformity with conditions reflected by the trend of rediscounting by the member banks.

The volume of commercial paper outstanding has recently shown little change. One reason why the volume does not increase is that many of the larger business concerns have ample working capital, as a consequence of their having enjoyed good business for the last several months. Their borrowings both at banks and in the open market are correspondingly less.

Notwithstanding the highly favorable position of the Reserve banks as well as of the banking system as a whole, the condition of some of the banks in agricultural sections, particularly in the Northwest, where an unusual number of failures have occurred recently, has called forth special united efforts of the Government and pri-

vate financial and business interests to lend assistance. It is highly significant that the straitened circumstances of a portion of the banks and of their customers threaten no general disturbance of the country's credit or business. It is recognized that even in the affected regions a large majority of the banks, especially of the larger institutions, are not endangered. For the most part the banks needing assistance are small, ranging in capital, it is said, from about \$25,000 to \$50,000. It is not to be supposed, however, that the present difficulties can be ascribed solely or even mainly to the size or the management of the local banks which have served the business interests, principally agricultural, in the Northwest. The superfluous number of small and comparatively weak institutions is only one of several contributing causes. The chief stress has appeared in regions where wheat is the principal crop. In a part of the territory wheat is practically the sole marketable farm product. The unfavorable results of a greatly expanded production have been accentuated by the disturbed price relationships growing out of the war.

Complicating both the labor problem and the financial situation was the tremendous wave of public highway and other construction which spread throughout the country. Farmers have been greatly burdened by the volume of local borrowing through the sale of bonds, stimulated by the tax-exemption privilege with respect to income. Permanent highways, built partly because of the ease with which public bonds could be floated and because of the Federal Government's provision for bearing one-half of the cost of such construction, have in many instances proved economically inadequate. The immediate effects have been increased debts, higher taxes and higher labor costs. In many cases, moreover, costs have been high and construction faulty, so that the harvest of this period of highly stimulated highway construction will really be reaped later.

EMERGENCY RELIEF PROVIDED

Financial and business interests representative of the country at large have united to assist in providing the needed funds for the re-establishment of a sound

credit condition where local resources are inadequate. For this purpose a financing corporation was organized in February with a capital of \$10,000,000, furnished largely by the leading banks of New York, Chicago and other large cities. The corporation, on the basis of this capital, will provide a much larger sum if it should be needed. Supplementing the work of the War Finance Corporation, whose period of emergency activity has again been extended, and other agencies, the new corporation gives promise of effective service. The special funds provided by it are to be utilized only where there is reasonable assurance that the debtors can work out of their difficulties. The solution of the present problem lies in further adjustment of agricultural production to the actual market situation. Progress in this direction is being made in the reduced wheat acreage of the current year and in increased activity along other lines of farm production.

The rejection by Congress of the proposed constitutional amendment designed to prevent the future issue of tax-exempt securities eliminated for the time being this feature of a constructive program of fiscal reform now before Congress. The task of restoring a sound economic and fiscal condition, as a basis for a sound credit position in those agricultural districts where there is now credit stringency, is not a simple one. Economical production and marketing methods must prevail; along with the correction of an unwholesome tax situation. A long-term program is essential, rather than the mere application of temporary expedients. Only in so far as the agriculturists themselves cooperate fully and intelligently in the carrying out of such a program can success be expected. The strain upon credit is local, not general, and because the banking situation as a whole is pre-eminently sound, a constructive program can be carried out without interruption of the nation's economic progress.

THE IMMIGRATION PROBLEM

Recent political developments have in some degree diverted the interest which would naturally attach to the immigration bill now before Congress. To the business community, especially, the immigration

policy of the Government is of great significance, as a factor bearing directly on the labor supply. The policy of free admission which prevailed in the past was based on the desirability of an ample supply of labor as an aid to industrial expansion. There has been increasing opposition to this attitude, especially in recent years, on the part of those who regard an unrestricted admission of aliens as a menace to the comparatively high wage levels and standards of living enjoyed by American workers.

The intent of the new bill is to impose even closer restrictions on the admission of aliens than prevail under the present law, which will expire next June. The bill now pending, which is designed as a permanent immigration policy, provides for the continuation of the quota system, but bases the annual quotas on the census of 1890 instead of the census of 1910, and reduces the number of admissions each from 3 per cent. to 2 per cent. of the census figures. That is, the immigrants of each nationality admitted in any fiscal year shall not exceed 2 per cent. of the foreign-born persons of such nationality resident in this country according to the census of 1890. But the Senate Committee on Immigration on Feb. 28 voted to base the quota on the 1910 census, instead of the 1890 census, although it reduced the percentage from 3, as at present, to 2, as proposed in the bill.

There is still ample opportunity for immigration, intelligently administered, to contribute to the country's progress. The chief problem is that of selection, and in proportion to our success in meeting this problem we shall need less to rely upon arbitrary restrictions. A better organization of the agencies seeking to promote assimilation of the foreign-born elements of the population would also be helpful in dealing with the immigration problem. The general economic benefits of immigration have been too often obscured by the results of inadequate provision for aiding in the needed social adjustments of the foreigners who have been admitted.

GENERAL CONDITIONS ABROAD

The definite economic improvement abroad that has occurred during the last

twelve months is reflected in a more satisfactory situation in Government finances in many countries which have been suffering from recurring heavy deficits, but which are now approaching a budgetary balance. There has also been an approach to stability in many exchange rates, as well as greater activity in industry and a betterment in the agricultural situation.

In Great Britain unemployment has lessened and industry and export trade now show clear signs of improvement. Sweden is in excellent condition, and so are Denmark and Finland. Conditions in Norway are improving. Italy has made remarkable progress during the year in reducing its deficit and in the stabilizing of economic conditions. In Russia there is evidence that finances are becoming more stable; agricultural production is on a better scale and industry is slowly moving upward from the demoralization wrought by the revolution and by Soviet policies of State control. The French Government is still in a difficult financial situation, but the economic position of the country is good. There is no unemployment, and French foreign trade is on a higher level than that of pre-war days. In nearly every European country there is to be seen an earnest effort to economize, to labor industriously to restore prosperity and to overcome the many difficulties which the war brought in its wake. This effort is unmistakably having its favorable effect upon the general situation.

Evidence of increasing effort in Germany is shown in the change of working hours in many industries from eight to nine or ten hours a day, although there is considerable opposition on the part of the workers to the increased hours.

As to economic conditions in Germany, it was recently reported from competent and reliable sources that figures for unemployment in Germany seem to have been overstated. Unemployment never reached a point of real danger to the industrial fabric of the country, and German business for the first time in four years is operating on a basis of certainty. For the time being the currency is established and business men are able to operate on another basis than that of pure speculation,

CONTEMPORARY HISTORY AND BIOGRAPHY

THE AMERICAN CONSTITUTION AS IT PROTECTS PRIVATE RIGHTS. By Frederic Jessup Stimson. 239 pp. New York: Charles Scribner's Sons. \$2.50.

Mr. Stimson calls attention to the inroads made in recent years upon the rights of the individual. "Timorous Congressmen," voting "not according to their convictions, or even their intelligence, but under the whips of any organized lobby"; unnecessary recourse to injunctions; the inroads of administrative authority on private rights, and the increasing tendency of the courts to uphold legislative interference with wages, prices, occupations and personal conduct, he finds dangerous to the individual. One striking passage on the subject of our treatment of aliens deserves to be quoted:

Their [the aliens'] exclusion, or deportation after landing, may be based on facts found by a mere administrative officer, without a common-law trial. Against an administrative official one has no common-law rights, and no powers of defense, save, possibly, bribery! And there are believed to be at this day more than one American citizen, born in the United States, who are wandering around the world, banished by a mere official, counter to our inherited Constitution, which in the *Habeas Corpus* act of 1679 forbade even transportation beyond the seas—a principle only yesterday vindicated anew in the case of the Irish sympathizers deported to Ireland by arbitrary order of the British Government.

THE CONTROL OF THE SOCIAL MIND: PSYCHOLOGY OF ECONOMIC AND POLITICAL RELATIONS. By Arland D. Weeks, Dean of the School of Education of the North Dakota Agriculture College. 263 pp. New York: D. Appleton & Co.

Dean Weeks has joined Graham Wallas and Professor Robinson in the task of saving civilization from its self-engendered ills by the application of modern psychological methods. Like Walter Lippmann, he holds that public opinion must be actively stimulated and guided by some agency as yet non-existent, and suggests that this may be accomplished by a system of reporting the facts to the citizens, and a supplementary system whereby the citizens can instruct their agents. The work is interesting, not only intrinsically but as an evidence of the effect of recent psychological studies on our political thought.

GERMANY AND EUROPE. By Count Harry Kessler. 150 pp. New Haven: Yale University Press. \$2.

This little volume contains the six addresses made before the Institute of Politics at Williamsburg last Summer. Count Kessler attacks the Versailles Treaty as the evil principle which has shattered Europe's economic and moral structure. He declines to hold Germany alone responsible for the World War, laying the blame on all "the men in high places everywhere in Europe, who

instead of grappling with the fundamental facts and problems of the European situation, were satisfied with makeshifts which no one could reasonably trust."

J. RAMSAY MACDONALD, THE MAN OF TOMORROW. By Iconoclast. 286 pp. New York: Thomas Seltzer. \$2.50.

A sympathetic account of the beginnings and life work of Britain's first Labor Premier by an unrestrained admirer whose pseudonym, the publisher tells us, shields the identity of a "well-known British novelist." The work is particularly valuable in that it gives an insight into the complex background of MacDonald's character.

CHILD LABOR AND THE CONSTITUTION. By Raymond G. Fuller. New York: Thomas Y. Crowell.

Making a distinction between "child work" and "child labor," Mr. Fuller argues on behalf of the home as the social agency primarily responsible for the welfare of the child. "The responsibility for child labor rests primarily on the home," he writes. "The main thing is to strengthen the home—for the child's sake."

FROM WORKSHOP TO WAR CABINET. An autobiography by George N. Barnes, with introduction by David Lloyd George. New York: D. Appleton & Co. \$2.50.

Mr. Barnes tells his story from the day, forty years ago, that he went to work in a carpet factory at \$1.75 a week, to his rise through the ranks of the Labor movement and ultimately to his appointment as a member of Lloyd George's War Cabinet.

THE BIRTH OF YUGOSLAVIA. By Henry Baerlein. Two volumes. London: Leonard Parsons. 42 shillings.

Mr. Baerlein tells the little-known history of the new Kingdom of the Serbs, Croats and Slovenes. Convinced that the nation is safely on the road to national unity and prosperity, he ventures to hope that a peaceful union with Bulgaria will some day be effected.

THE FIRST TIME IN HISTORY—TWO YEARS OF RUSSIA'S NEW LIFE. By Anna Louise Strong, with an introduction by Leon Trotsky. New York: Boni & Liveright. \$2.

Miss Strong tells the impressions of her two years of travel in Russia, from August, 1921, to December, 1923, and of the progress made by that revolution-torn country toward rehabilitation. She goes into the economic and industrial situation at considerable length.

THESE UNITED STATES. (Second series.) Edited by Ernest Gruening. New York: Boni & Liveright. \$3.

This is the concluding volume of a collection of

essays on the individual characteristics of the several States of the Union written by native sons and daughters of those States.

CULTURE AND DEMOCRACY IN THE UNITED STATES. By Horace M. Kallen. New York: Boni & Liveright. \$3.

Dr. Kallen's latest work is an attempt at an evaluation of American progress in life and culture. Especial consideration is given to the effect of alien immigration on both culture and democracy.

CRYSTALLIZING PUBLIC OPINION. By Edward L. Bernays. New York: Boni & Liveright. \$2.50.

Mr. Bernays discusses modern methods of influencing the mind of the public through the medium of publicity.

THE MAN LENIN. By Isaac Don Levine. New York: Thomas Seltzer. \$2.50.

Into comparatively few pages Mr. Levine has

compressed not only the facts but the personality of the guiding spirit of the Russian revolution. Scholarly in its accuracy of detail and treatment of the conditions that made Lenin's career possible, the book possesses the added quality of readability, in some places being as fascinating as a detective story—better written than most.

GOVERNMENT AND POLITICS OF BELGIUM. By Thomas Harrison Reed, Professor of Political Science, University of Michigan. 197 pp. Yonkers, N. Y.: World Book Company. \$1.60.

This new volume in the Government Handbook Series will be valuable in affording an insight into the affairs of Belgium, which in eighty-five years of national existence has made such great progress along the path of constitutional government.

DEATHS OF PERSONS OF PROMINENCE

Dr. HENRY CROSBY EMERY, former Chairman of the United States Tariff Board, on the steamship President Lincoln, at sea in the Pacific, Feb. 6, aged 51.

The Right Rev. GEORGE COOLIDGE HUNTING, Bishop of the Protestant Episcopal Diocese of Nevada, at Reno, Feb. 6, aged 53. Bishop Hunting was a cousin of President Coolidge.

CHARLES E. BUTLER, member of the firm of Brentano & Co., at New York, Feb. 15, aged 72.

The Right Rev. GEORGE ALBERT ORMSBY, Vicar of Eglingham, Archdeacon of Lindisfarne and Canon of Newcastle Cathedral, in England, Feb. 14, aged 80. He was Bishop of Honduras and Central America from 1893 to 1907.

HENRY BACON, noted architect, at New York, Feb. 16, aged 57. Examples of Mr. Bacon's work are to be found throughout the Eastern States. His masterpiece was the Lincoln Memorial at Washington.

RICHARD TRIMBLE, former Secretary-Treasurer of the United States Steel Corporation, at New York, Feb. 18, aged 65.

The Right Rev. ALEXANDER C. GARRETT, presiding Bishop of the Protestant Episcopal Church in America and Bishop of the Dallas Diocese, at Dallas, Texas, Feb. 18, aged 91.

The Right Rev. JOHN EDWARD GUNN, Bishop of the Roman Catholic Diocese of Mississippi, at New Orleans, Feb. 19, aged 61.

GEORGE WATSON SUMNER, Rear Admiral, U. S. N., retired, at Patchogue, N. Y., aged 82. During the Civil War Admiral Sumner served under Farragut.

Sir HENRY LUCY, noted English political writer, at Hythe, England, Feb. 21, aged 79. Under the pseudonym of "Toby, M. P." Sir Henry for many years contributed a column of political notes which were a cherished feature of London Punch.

The Right Rev. THEOPHILE MEERSCHAERT, Bishop of the Roman Catholic Diocese of Oklahoma, at Oklahoma City, Feb. 21, aged 76.

GEORGE RANDOLPH CHESTER, author, at New York, Feb. 26, aged 54.

Miss LAURA HALE BRADSHAW, grandniece of Benjamin Franklin, at Orange, N. J., Feb. 27, aged 99.

PRINCESS LOUISE of Belgium, central figure of one of the most romantic court episodes of recent European history, at Wiesbaden, Germany, March 1, aged 66.

ISRAEL SMITH CLARE, historian and scholar, at Lancaster, Pa., March 1, aged 77.

JEFFERSON M. LEVY, former Congressman, at New York, March 6, aged 72. Mr. Levy was the owner of Thomas Jefferson's estate, Monticello.

ALFRED H. SMITH, President of the New York Central Lines, at New York, March 8, aged 60.

General PANAYOTIS DANGLIS, former Commander-in-Chief of the Greek Army, at Athens, March 9. Like most Greek Generals, General Danglis was an important political figure, having been a member of the Saloniki triumvirate with Venizelos and Admiral Coundouriotis. He was Venizelist Minister of War and head of the Liberal Party.

Baron SERGE A. KORFF, Professor of History in Columbia University, at Washington, March 7. Baron Korff won scholarly distinction in Russia before the war. During the Kerensky régime he was Governor of Finland. He was an authority on constitutional and international law.

RICHARD HENRY PRATT, Brigadier General, U. S. A., retired, founder and organizer of the Carlisle Indian School, at San Francisco, March 15.

FRANCISCO J. YANES, Assistant Director of the Pan-American Union, Feb. 28, aged 63. Since 1917 he had been head of the union's educational division.